



Australian Government

**Australian Commission for
Law Enforcement Integrity**

Annual Report of the Integrity Commissioner

2020-21

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Australian Government

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2020–21

About this report

ISSN 1835-1603 (print); ISSN 2205-3077 (online)

Contact ACLEI

Australian Commission for Law Enforcement Integrity
GPO Box 605
Canberra ACT 2601
AUSTRALIA

Switchboard: (02) 6141 2300; +61 2 6141 2300

Corruption hotline: (02) 6141 2345; +61 2 6141 2345

Email: contact@aclei.gov.au

Website: www.aclei.gov.au

Important contact information: Please check our website for current contact arrangements.

Enquiries about the content of this report should be directed to the Annual Report Coordinator by email at strategy@aclei.gov.au.

Copies of this report are available at transparency.gov.au and on ACLEI's website at www.aclei.gov.au/about/corporate-information/annual-reports.

Acknowledgements

Produced by: Australian Commission for Law Enforcement Integrity

Designed by: CRE8IVE

Typeset by: Keep Creative

Printed by: Reacon Group

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This publication should be attributed as the
Annual Report of the Integrity Commissioner 2020-21

The terms under which the coat of arms may be used can be found at www.pmc.gov.au/government/commonwealth-coat-arms.

Acknowledgement of Country

In the spirit of reconciliation the Australian Commission for Law Enforcement Integrity acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

Letter of transmittal



Australian Government
Australian Commission for
Law Enforcement Integrity

28 September 2021

Senator the Hon Michaelia Cash
Attorney-General
Parliament House
Canberra ACT 2600

Dear Attorney-General

I am pleased to present the 15th annual report of the Integrity Commissioner, concerning the operations of the Australian Commission for Law Enforcement Integrity for the year ending 30 June 2021.

The report has been prepared for the purposes of s 46 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and s 201 of the *Law Enforcement Integrity Commissioner Act 2006* (LEIC Act).

This report also includes the annual report about authorities for assumed identities pursuant to subs 15LD(1) of the Crimes Act for the period 1 July 2020 to 30 June 2021, and the annual report for witness identity protection certificates pursuant to subs 15MU(1) of the Crimes Act for the period 1 July 2020 to 30 June 2021.

As required by s 10 of the PGPA Act, I certify that:

- ACLEI has prepared fraud risk assessments and fraud control plans
- ACLEI has in place appropriate fraud prevention, detection, investigation and reporting mechanisms that meet its specific needs
- I have taken all reasonable measures to deal appropriately with fraud relating to ACLEI.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Jaala Hinchcliffe'.

Jaala Hinchcliffe
Integrity Commissioner

Reporting corruption

How to report a corruption issue

The Australian Commission for Law Enforcement Integrity (ACLEI) receives large volumes of information regularly. As we must assess this information thoroughly, there may be a delay in our response to you.

- Please note: At this time, complaints or reports must be made by email (contact@aclei.gov.au) or using the reporting forms on our [website](#). ACLEI does not accept information in person.
- The ACLEI Report Corruption Hotline is (02) 6141 2345. This number is a monitored voicemail service.

The Integrity Commissioner can investigate allegations of corruption relating to the following Australian Government agencies:

- Australian Competition and Consumer Commission
- Australian Criminal Intelligence Commission (including the Australian Crime Commission, the former CrimTrac Agency and the National Crime Authority)
- Australian Federal Police (including ACT Policing)
- Australian Prudential Regulation Authority
- Australian Securities and Investments Commission
- Australian Taxation Office
- Australian Transaction Reports and Analysis Centre
- Department of Agriculture, Water and the Environment
- Department of Home Affairs (including the Australian Border Force).

ACLEI is not able to investigate matters relating to other Australian Government agencies, state or territory police agencies (apart from ACT Policing), other state or territory government agencies or the judiciary.

ACLEI undertakes corruption investigations. We do not have a complaint handling role and we cannot help individuals achieve personal remedies or resolve disputes.

You do not have to provide ACLEI with your name when you provide us with information about a corruption issue. However, information given anonymously may be more difficult to investigate. If you do not want to give your name, you may provide an alias. We also strongly suggest you provide a way for ACLEI to contact you.

The information you provide to ACLEI will be handled in accordance with relevant privacy laws and the *Law Enforcement Integrity Commissioner Act 2006* (LEIC Act). Please be aware that the Integrity Commissioner may be required under the LEIC Act to provide information about your complaint to the head of the agency it refers to. If you have concerns about your information being shared, please email contact@aclei.gov.au to clarify prior to sending your complaint.

The Integrity Commissioner seeks to ensure that all corruption issues are properly addressed. All information provided to ACLEI is assessed for its suitability for investigation and may be retained or collated with other information to inform decision-making at a later date. The guidelines used by internal decision-makers in regard to notification and referrals provided to the Integrity Commissioner can be found [here](#).

Online Complete an online form at <https://www.aclei.gov.au/report-corruption-issue>

Email contact@aclei.gov.au

Phone The ACLEI Report Corruption Hotline: (02) 6141 2345

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Part One Review by the Integrity Commissioner

Review by the Integrity Commissioner



I am pleased to introduce the annual report for the Australian Commission for Law Enforcement Integrity (ACLEI) for 2020–21.

This year has been a year of significant achievement for ACLEI. Despite the continued challenges caused by the effects of the COVID-19 pandemic, during the course of this year we assessed the largest number of matters containing allegations of corrupt conduct and provided the most reports to the Attorney-General of completed investigations in any year in our 15-year history.

The types of matters that are notified or referred to ACLEI continue to sit across a wide continuum, from allegations of law enforcement staff members browsing systems without a business purpose to significant allegations relating to the supply of operational information to assist criminal activities, making operational decisions to benefit associates and receiving bribes. The summaries of the investigation reports that I provided to the Attorney-General this year include examples of the type of issues that we investigate and the serious nature of those allegations (see pages [22–25](#)).

We were able to maintain our increased operational tempo, while also bringing the Australian Competition and Consumer Commission (ACCC), the Australian Prudential Regulation Authority (APRA), the Australian Securities and Investments Commission (ASIC) and the Australian Taxation Office (ATO) into our jurisdiction from 1 January 2021. Our ability to achieve all of this was due to the dedication and hard work of ACLEI staff members and continued cooperation with the agencies that we oversee.

We have worked closely with ASIC, APRA, ACCC and ATO since our expanded jurisdiction was announced in the October 2020 Federal Budget, to ensure that these agencies understand their obligations under the *Law Enforcement Integrity Commissioner Act 2006* (LEIC Act) and the *Law Enforcement Integrity Commissioner Regulations 2017* (LEIC Regulations) and understand how ACLEI will handle any referrals or notifications about alleged corrupt conduct. We have also built our understanding of the functions undertaken by the new agencies to assist us in assessing whether referrals and notifications fall within our jurisdiction.

To support the expansion to our jurisdiction, we were provided with an additional \$10 million in the October 2020 Federal Budget. From 2021–22, this effectively doubles ACLEI's annual budget with a similar increase to our staffing numbers.

As a result, we have undertaken a significant recruitment project that will continue into 2021–22. This project began with the recruitment of 2 new Executive Directors to lead our 2 Operations Branches. I am very pleased to now have in place a settled executive structure of 3 branches with experienced senior executives in Ms Judy Lind, Mr Pete Ratcliffe and Ms Lucinda Atkinson, leading those branches.

Our Corporate Services and Governance Branch expanded across the year to support the growth in the rest of the organisation. This has allowed us to invest greater resources into our essential corporate services, such as information technology, human resources and finances.

In our Operations Branches, we have been able to increase our number of operations teams and will continue to recruit investigators and intelligence analysts in 2021–22. While that recruitment is ongoing, it is pleasing to see that we are attracting large numbers of applicants to our roles.

The growth in ACLEI's budget and staffing has also enabled us to establish a Strategic Intelligence and Data Analysis team. This team will perform a dual role of identifying emerging and recurrent corruption risks and trends, as well as generating proactive lines of investigation. I am looking forward to seeing the unique insights that the team is able to provide to ACLEI and the agencies we oversee.

Achieving this rapid growth has been a significant undertaking for an agency of ACLEI's size. During the year, we have undertaken 23 recruitment processes. We continue to use secondments as an opportunity for staff in other agencies to experience our work and we similarly encourage our staff members to consider secondments as opportunities to develop their skills.

We have continued our work from last year in enhancing our transparency to the agencies we oversee, the Parliament and the public. This includes, wherever possible, providing more information about our priorities, processes and operations. While it is important that our investigations proceed discreetly, it is equally important that we are able to provide information about what we do and how we do it, as well as the principles that guide our decisions and actions. As an oversight agency, we recognise the importance of accountability and openness.

One of the key ways in which ACLEI can give insight into our operations is through the publication of reports into our investigations. Under the LEIC Act, I am required to prepare a report on completed investigations and provide that report to the Attorney-General and the head of the agency to which the investigation relates. I can then consider whether there

is a public interest in publicly releasing all or part of the report. During 2020–21, I finalised 11 reports into 14 corruption issues and published 6 reports—the most reports finalised and published in a financial year. These reports provide a comprehensive summary of each investigation and any findings or recommendations I have decided to make as a result of the investigation. The published reports are available on ACLEI’s website at www.aclei.gov.au.

It is also important that ACLEI’s internal decision-making frameworks are robust and clear. During 2020–21 we have further developed our internal governance architecture and systems to take account of our increasing size. In particular, we revised the terms of reference for our Internal Governance Board and established our Operations Board. We will continue this process of continuous improvement in 2021–22 through the refinement of the terms of reference, membership and processes for our Assessments Board.

As indicated in last year’s annual report, we have developed new performance measures, which we have used this year to measure our performance and manage our work. This is our first year of reporting against these measures in our Annual Performance Statement. We will continue to enhance our performance framework as our maturity with our data develops. I am very pleased to report, however, that our Annual Performance Statement shows that we are managing each of our key activities well.

We are currently investigating 4 matters that relate to Operation Ironside. We expect to receive further notifications from this operation as the AFP and its partners consider the material. We will continue to monitor our capacity to appropriately take on this work as it flows through to us, noting the serious nature of the allegations that are likely to come from this operation.

From an operational perspective, our priorities for the coming year will be:

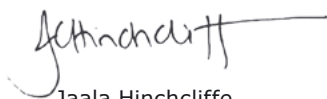
- timely completion of our investigations, particularly those arising from Operation Ironside
- embedding the work of the Strategic Intelligence and Data Analysis Unit and using that unit to provide valuable trend information to ourselves and to our agencies
- continuing to work with our new agencies on their processes, including their notifications and investigations, and the application of the ‘law enforcement function’ test to scenarios as they arise.

I continue to be of the view that our work in relation to corruption prevention is vital and has a broader remit than just the law enforcement agencies in our jurisdiction. We are in the process of developing our next corruption prevention strategy and are continuing to look for ways to provide corruption prevention feedback to the system, including through partnerships with other groups including the Commonwealth Fraud Prevention Centre, the Criminal Justice and Law Enforcement Forum and the newly formed APS Academy.

From an organisational perspective, our priority for the coming year will be to continue our work to support our expanded jurisdiction and prepare for the implementation of the Commonwealth Integrity Commission. This includes the recruitment for our current expansion, ensuring that our governance and processes will support a significantly larger organisation and embedding policies that ensure that our processes are readily able to be replicated.

I would like to thank the Parliamentary Joint Committee on ACLEI (PJC-ACLEI) for their continued oversight of our work. Throughout the year the Committee has been proactive and engaged in their oversight of ACLEI and me. Given the breadth of the coercive powers that we have access to and the ramifications of the corruption findings that I can make, this oversight is both welcomed and understood as an essential part of the Commonwealth's law enforcement integrity framework. I also acknowledge the significant work that the Committee have undertaken in relation to their Inquiry into the integrity of Australia's border arrangements and the inquiry's report that was published this year.

Finally, I would like to acknowledge the dedication and expertise of ACLEI staff. 2020–21 was a year of significant change and ongoing uncertainty (including as a result of the COVID-19 pandemic). ACLEI staff engaged positively with these changes and uncertainties while continuing to deliver against our key activities and I thank them for this.

A handwritten signature in black ink, appearing to read 'Jaala Hinchcliffe', with a long horizontal stroke extending to the right.

Jaala Hinchcliffe
Integrity Commissioner

Highlights 2020–21

478

Notifications and referrals received, and potential own-initiative investigations identified

486

Assessments completed

353

Matters assessed as raising a corruption issue

108

Corruption issues investigated by ACLEI

35

Corruption issue investigations by
ACLEI finalised

10

Corruption findings made

306

Corruption issues investigated by
law enforcement agencies

104

Agency corruption issue
investigations finalised

11

Investigation reports submitted
to the Attorney-General

6

Investigation reports published



Part Two

Overview of ACLEI

Overview of the Australian Commission for Law Enforcement Integrity

Purpose

The *Law Enforcement Integrity Commissioner Act 2006* (LEIC Act) establishes the office of the Integrity Commissioner and the Australian Commission for Law Enforcement Integrity (ACLEI). The LEIC Act also sets ACLEI's priorities—to investigate allegations of serious and systemic corrupt conduct in designated law enforcement agencies.

Our purpose is to make it more difficult for corruption in designated Australian Government law enforcement agencies to occur or remain undetected.

Our purpose supports ACLEI's single outcome under the *Attorney-General's Portfolio Budget Statements 2020–21*—to provide independent assurance to the Australian Government that Commonwealth law enforcement agencies and their staff act with integrity by detecting, investigating and preventing corruption.

ACLEI has one program under the portfolio budget statements—Detect, investigate and prevent corruption in prescribed law enforcement agencies; assist law enforcement agencies to maintain and improve the integrity of staff members

The LEIC Act and Law Enforcement Integrity Commissioner Regulations 2017 (LEIC Regulations) detail a range of reporting requirements, including specifying a range of matters which must be reported in the Integrity Commissioner's annual report.

This Annual Report meets ACLEI's reporting obligations under the LEIC Act and Regulations and under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) to demonstrate how it meets its purpose and objective.

Role and functions

We achieve our purpose and outcome by performing the functions set out in the LEIC Act. We have 4 core functions:

- We receive and assess notifications and referrals of alleged corrupt conduct by staff members of LEIC Act agencies.
- We conduct investigations into serious and systemic corrupt conduct in LEIC Act agencies.
- We support LEIC Act agencies to conduct their own investigations.
- We prevent corruption through engagement, support and identification of vulnerabilities within LEIC Act agencies.

During the whole of 2020–21, the following agencies were subject to the Integrity Commissioner’s jurisdiction:

- Australian Criminal Intelligence Commission (ACIC)
- Australian Federal Police (AFP) (including ACT Policing)
- Australian Transaction Reports and Analysis Centre (AUSTRAC)
- prescribed aspects of the Department of Agriculture, Water and the Environment (DAWE)
- Department of Home Affairs (Home Affairs), including the Australian Border Force (ABF).

From 1 January 2021, this jurisdiction was expanded to include conduct of staff members which relates to the performance of a law enforcement function of the following agencies:

- Australian Competition and Consumer Commission (ACCC)
- Australian Prudential Regulation Authority (APRA)
- Australian Securities and Investments Commission (ASIC)
- Australian Taxation Office (ATO).

The heads of the agencies under ACLEI’s jurisdiction must notify the Integrity Commissioner of corruption issues in their agencies as soon as practicable after they become aware of them. Information about corruption may also come from members of the public, the Attorney-General, law enforcement and other government agencies and from ACLEI’s own-initiative investigations.

The LEIC Act establishes a framework within which the Integrity Commissioner and the heads of the agencies under ACLEI’s jurisdiction work in partnership to detect and investigate corruption issues and prevent corrupt conduct within those agencies.

This arrangement recognises both the continuing responsibility that agency heads have for the integrity of their staff members and the role that the Integrity Commissioner, as an independent decision-maker, plays in the law enforcement integrity framework. Accordingly, the Integrity Commissioner works to ensure that indications and risks of corrupt conduct in law enforcement agencies are identified and addressed, to strengthen those agencies against compromise.

Our jurisdiction

An allegation will fall within ACLEI's jurisdiction if it is a **corruption issue**. A corruption issue is defined in section 7 of the LEIC Act as:

1. *For the purposes of this Act, a corruption issue is an issue whether a person who is, or has been, a staff member of a law enforcement agency:*
 - a. *has, or may have, engaged in corrupt conduct; or*
 - b. *is, or may be, engaging in corrupt conduct; or*
 - c. *will, or may at any time in the future engage in corrupt conduct.*
2. *To avoid doubt, an allegation, or information, may raise a corruption issue even if the identity of the person is unknown, is uncertain or is not disclosed in the allegation or information.*

For the AFP, Home Affairs, ACIC, AUSTRAC and DAWE, the LEIC Act provides two limbs that need to be satisfied for an allegation to be a corruption issue.

For the ATO, ACCC, ASIC and APRA, the LEIC Act provides three limbs that need to be satisfied for an allegation to be a corruption issue.

An allegation that relates to AFP, Home Affairs, ACIC, AUSTRAC or DAWE

1. Is the allegation about a person who is or was a staff member of a law enforcement agency?

- Section 10 of the LEIC Act sets out the definition of *staff members* for each agency.
- For DAWE staff, consideration must also be given to s 7 of the LEIC Regulations.

2. Is the allegation that the person, while a staff member, engaged, may be engaging or will engage in corrupt conduct?

Engages in *corrupt conduct* is defined in s 6 of the LEIC Act.

A staff member of a law enforcement agency engages in corrupt conduct if, while a staff member of that agency, they engage in:

- an abuse of office
- perverting the course of justice
- corruption of any other kind.

If both of these 2 limbs are satisfied, then the allegation is a corruption issue and within ACLEI's jurisdiction.

An allegation that relates to ATO, ASIC, APRA or ACCC

The ATO, ASIC, APRA and ACCC have been prescribed by the LEIC Regulations to be a law enforcement agency under s 5 of the LEIC Act. In these circumstances, there is an additional limb that needs to be satisfied before an allegation is a corruption issue and within ACLEI's jurisdiction.

1. Is the allegation about a person who is or was a staff member of a law enforcement agency?

- Section 10(4) of the LEIC Act sets out the definition of *staff members* for agencies that are prescribed for the purposes of paragraph (d) of the definition of *law enforcement agency* are the class of persons prescribed by the regulations.
- Section 7A of the LEIC Regulations sets out the definition of *staff members* of each agency.

2. Is the allegation that the person, while a staff member, engaged, may be engaging or will engage in corrupt conduct?

Engages in corrupt conduct is defined in s 6 of the LEIC Act. A staff member of a law enforcement agency engages in corrupt conduct if, while a staff member of that agency, they engage in:

- an abuse of office
- perverting the course of justice
- corruption of any other kind.

3. Does the alleged conduct relate to the performance of a law enforcement function?

The definition of *engages in corrupt conduct* provides that if a law enforcement agency comes into ACLEI's jurisdiction through regulation, the conduct must relate to the performance of a law enforcement function (see subs 6(2) of the LEIC Act).

Law enforcement function is defined in s 5 of the LEIC Act and 'relates to':

- the investigation into whether an offence has been committed against the law of the Commonwealth;
- the investigation into whether there has been a contravention of a law of the Commonwealth to which a civil penalty proceeding may be brought;
- dealing with information to assist with the enforcement of Commonwealth laws.

Investigations about whether an offence has been committed against the law of the Commonwealth relates to the commission of criminal offences. Investigations about whether a civil penalty proceeding can be brought involves legislative civil penalty provisions. Civil penalties are distinct from other action which may be undertaken by an agency where they are the decision maker. Civil penalties, like criminal offences, are decided by a court.

If these 3 limbs are satisfied, then the allegation is a corruption issue and within ACLEI's jurisdiction.

Key activities

Our purpose:

To make it more difficult for corruption to occur or remain undetected in the Australian Government law enforcement agencies which we oversee.

Our key activities



1. Assessments

We receive and assess notifications and referrals of alleged corrupt conduct by members of Australian Government law enforcement agencies through:

- providing clear reporting channels for agencies and members of the public
- assessing reports of alleged corrupt conduct in a timely fashion, and
- dealing with reports of alleged corrupt conduct in the most appropriate manner.



2. ACLEI investigations

We conduct investigations into serious and systemic corrupt conduct in Australian Government law enforcement agencies through:

- using our expertise as investigators to fully investigate referrals and notifications of alleged corrupt conduct
- effectively and efficiently analysing intelligence from a range of sources to further our investigations
- ensuring investigations are completed in a timely fashion
- working jointly with other law enforcement agencies where appropriate, and
- acting within the bounds of our jurisdiction.



3. Supporting partner agency investigations

We support our partner law enforcement agencies to conduct their own investigations, including through:

- the use of our powers to oversee and manage agency investigations under the LEIC Act, where appropriate
- reviewing the progress of agency investigations, and
- providing feedback and advice on agencies' final reports on their investigations.



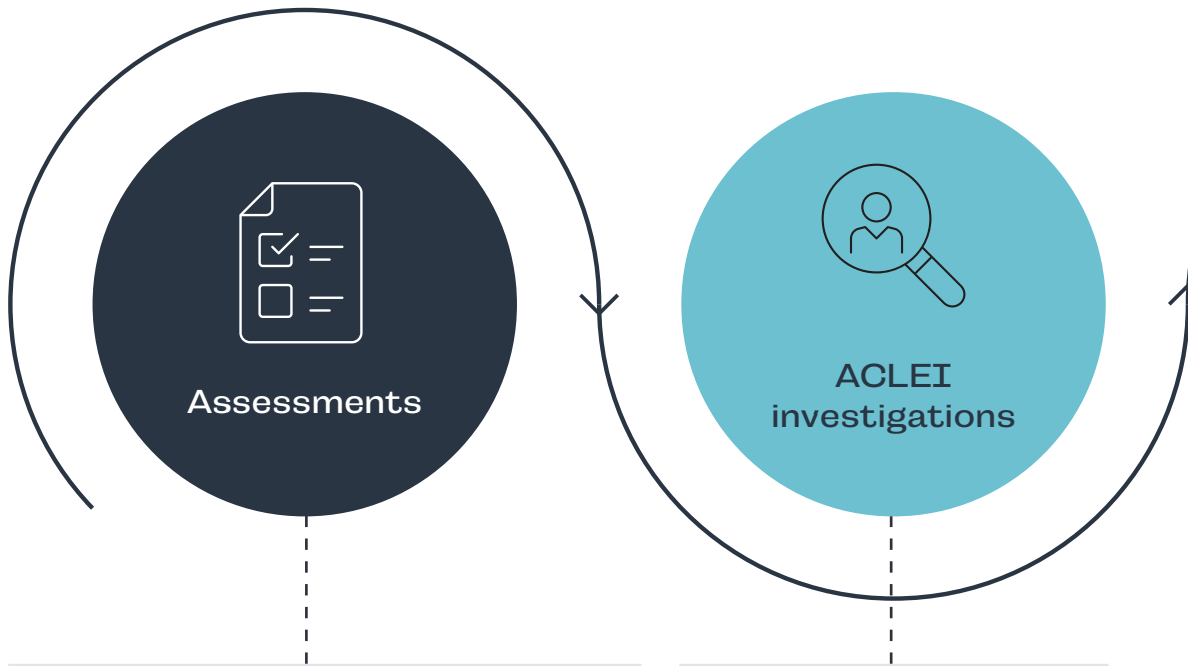
4. Prevention

We prevent corruption through:

- identifying and disseminating information on corruption vulnerabilities and risks to partner agencies and the public
- providing tailored assistance to Australian Government law enforcement agencies to detect corrupt conduct and mitigate risks
- specialist projects on emerging corruption threats and innovative approaches to prevention, and
- engaging with the Australian Parliament, agencies and the public.

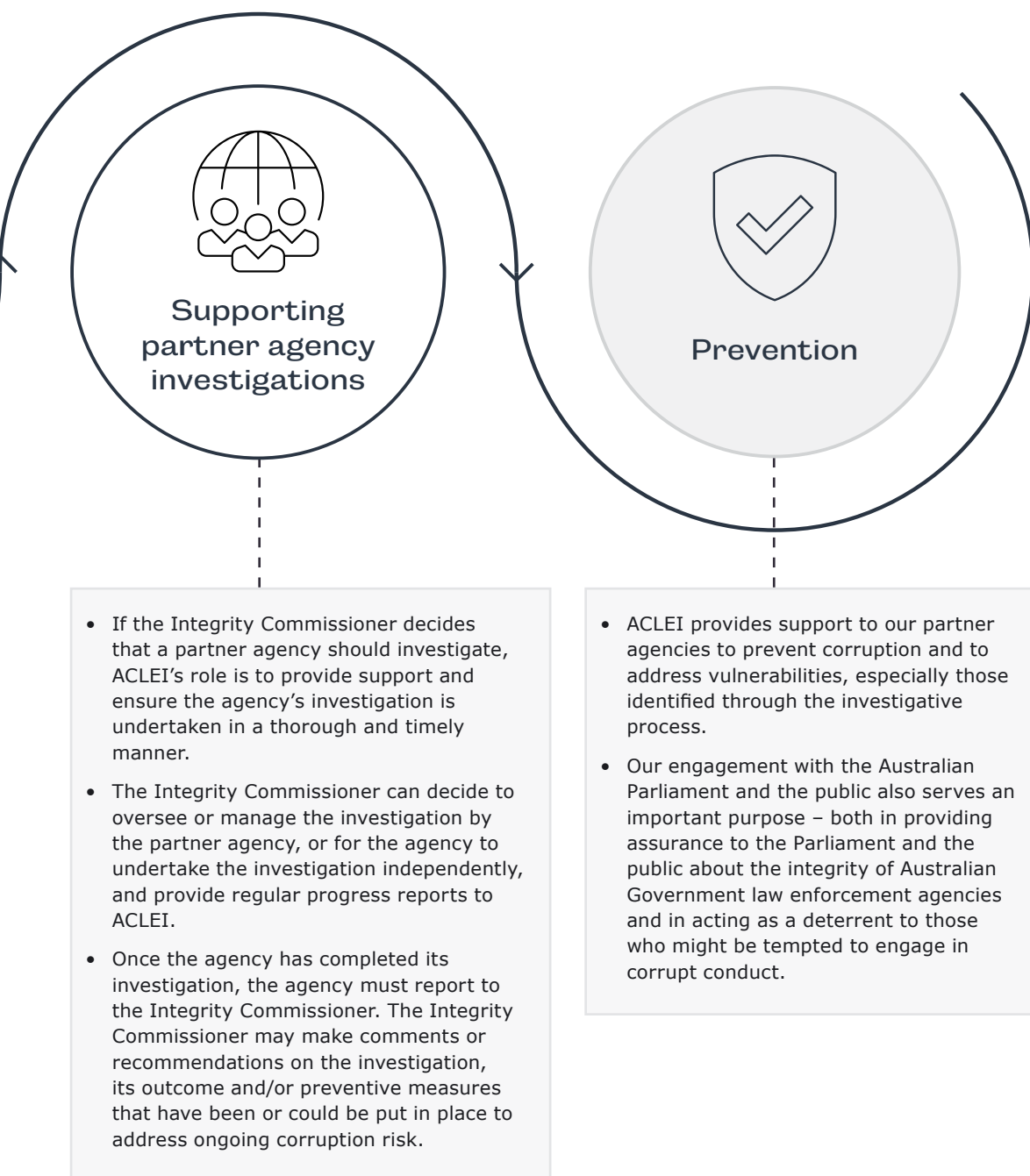
Our professional and multi-disciplinary corporate and governance services underpin the effective delivery of these key activities.

These four key activities reflect ACLEI's prescribed role as set out in the LEIC Act.



- When ACLEI is made aware of a corruption issue relating to a partner agency through a notification or referral, it is assessed and a decision is made as to how the corruption issue should be dealt with.
- If the matter potentially involves *serious corruption* or *systemic corruption* (as defined in s 5 of the LEIC Act), then the Integrity Commissioner will prioritise investigation by ACLEI; if it does not then the Integrity Commissioner will decide how it should most appropriately be dealt with.
- If the notification or referral nevertheless relates to a corruption issue, the Integrity Commissioner can refer the matter to the partner agency to investigate, or refer the matter to another agency that is best placed to investigate.
- If the notification or referral does not relate to a corruption issue, the Commissioner may take no further action.
- In some cases, the LEIC Act requires that our partner agencies stop all other action in relation to the alleged corrupt conduct while ACLEI's assessment of the referral or notification is underway. As such, it is imperative that our assessment process is completed as quickly as possible.

- If the Integrity Commissioner decides that ACLEI should investigate, that investigation can be undertaken by ACLEI alone, or jointly with other law enforcement agencies. ACLEI is focused on ensuring that its investigations are thorough, properly targeted and completed in a timely way. Where we investigate jointly with other agencies, we work closely to identify investigative priorities, ensure we have a targeted plan of action and are effectively managing joint risks.



Organisational structure



ACLEI's Executive team (from left): Ms Lucinda Atkinson, Mr Pete Ratcliffe, Integrity Commissioner Ms Jaala Hinchcliffe, Ms Judy Lind.



The Integrity Commissioner,
Ms Jaala Hinchcliffe, was
ACLEI's accountable authority
throughout 2020–21.

The Integrity Commissioner is supported by 3 Executive Directors.



Mr Pete Ratcliffe is the Executive Director Operations (Southern). Mr Ratcliffe manages investigations and operational activity in the Australian Capital Territory, Victoria, Tasmania, South Australia and Western Australia. He also manages the Strategic Intelligence and Data Analysis team and ACLEI's relationships with ACIC, DAWE, AUSTRAC, APRA and ACCC.



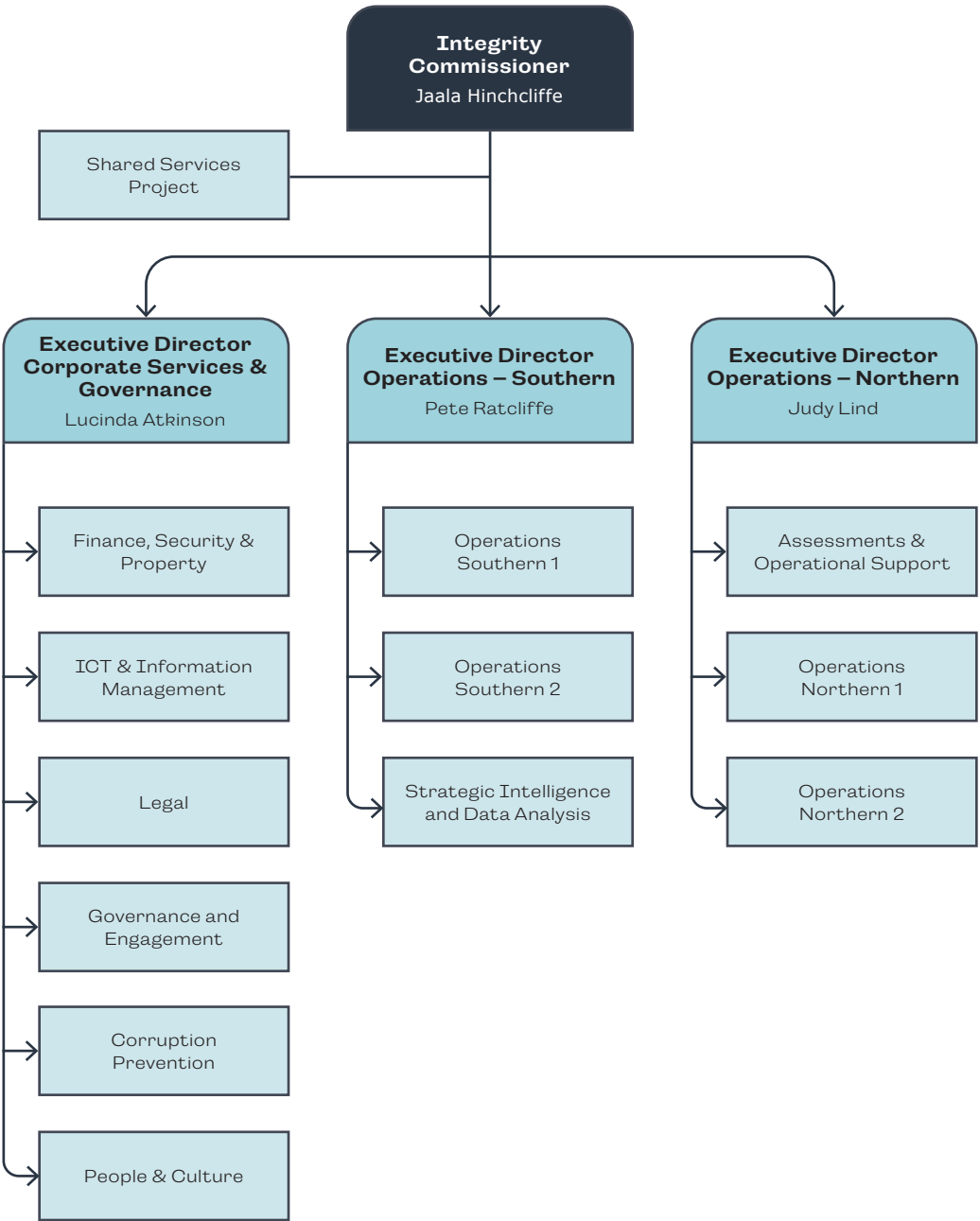
Ms Judy Lind is the Executive Director Operations (Northern). Ms Lind manages investigations and operational activity in New South Wales, Queensland, the Northern Territory and Australia's external territories. She also manages the Assessments and Operational Support team and ACLEI's relationships with AFP, ATO, Home Affairs and ASIC.



Ms Lucinda Atkinson is the Executive Director Corporate Services and Governance. Ms Atkinson manages the agency's finance, property, security, ICT, governance, people and culture, communications, corruption prevention and legal and policy advice functions.

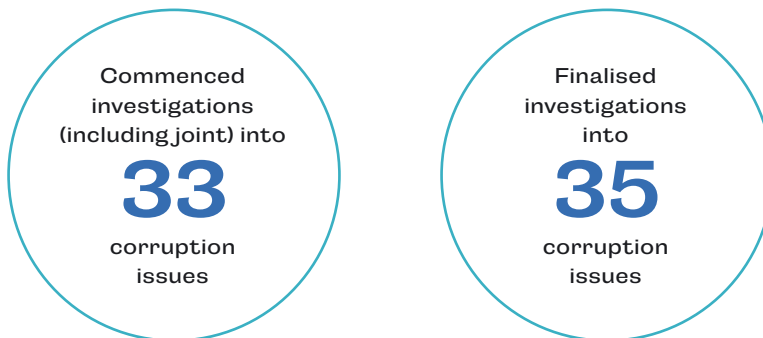
ACLEI’s organisational structure at 30 June 2021 is provided in Figure 1.

Figure 1: Organisational chart



Investigations

In 2020–21, ACLEI:



A summary of the investigation reports provided to the Attorney-General and the prosecutions completed in 2020–21 is provided below. Further details of some investigations are included against relevant performance indicators in the Annual Performance Statement below, with further statistics at Appendix 3.

Investigation reports under s 54 of the LEIC Act

During 2020–21, the Integrity Commissioner provided 11 investigation reports to the Attorney-General, relating to 14 corruption issues. As at 30 June 2021, 6 of these reports had been published and the remaining 5 reports were being considered for publication.

Summaries of these reports are below. Further information in relation to the reports that have been published is available on the ACLEI website at <https://www.aclei.gov.au/reports/investigation-reports>.

Summaries of reports under s 54 of the LEIC Act

Operation Adder: an investigation into the conduct and associations of a staff member of the Department of Home Affairs

Operation Adder considered an allegation that an unknown customs officer from the now Department of Home Affairs was using their position to assist in the importation of drugs into Australia. These allegations arose from a referral made to ACLEI. Operation Adder commenced as a joint ACLEI and AFP investigation. While the investigation identified the staff member described in the referral, it did not find any evidence the staff member was assisting in the importation of drugs into Australia. The investigation did however find evidence the staff member had disclosed protected information to 2 associates. The Integrity Commissioner made a corruption finding against the staff member for disclosing information from Home Affairs on the basis they gained social capital for the disclosures.

Operation Zeus: an investigation into alleged corrupt conduct by an ABF Officer to support the importation of illicit tobacco

Operation Zeus considered an allegation that an unidentified ABF Officer was assisting a criminal syndicate by facilitating the importation of undeclared tobacco into Australia. The allegation arose from information identified during an ongoing criminal investigation by the AFP. Operation Zeus was a joint investigation by ACLEI, the AFP and Home Affairs and is an example of the benefits of a strong joint investigation, which enabled ACLEI to focus on the corruption element of the allegations while the AFP investigated the broader activities of the syndicate. The investigation identified the ABF Officer and uncovered evidence that the ABF Officer received a bribe and aided and abetted in the importation of tobacco products. The Integrity Commissioner made one finding of corrupt conduct against the ABF Officer, finding the ABF Officer abused his office by conducting unauthorised searches of ABF systems in order to provide information to a criminal syndicate to facilitate the importation of illicit tobacco products.

Operation Fortescue: an investigation into alleged fraudulent claims being made under the Tourist Refund Scheme

Operation Fortescue was a joint investigation between ACLEI and Home Affairs which considered allegations that fraudulent claims were being made under the Tourist Refund Scheme (TRS) by members of the ABF at airports in Sydney, Brisbane and Adelaide. The investigation found that 4 ABF officers had separately submitted and processed fraudulent TRS claims and directed refunds amounting to \$139,480.56 to bank accounts held by the officers or their family members. All 4 were prosecuted for offences of obtaining a financial benefit by deception. As of 30 June 2021, 3 of the 4 officers have been sentenced.

Operation Angove: an investigation into possible corruption issues regarding the Department of Home Affairs and its interactions with Crown Casino

Operation Angove was an investigation into corruption allegations concerning interaction between Home Affairs and the ABF with Crown Melbourne Limited (Crown) and their VIPs who travelled to Australia, particularly from China, to gamble in their facilities. The allegations were referred to ACLEI by the Attorney-General on 30 July 2019 and on 31 July 2019 the Integrity Commissioner decided to investigate those allegations that fell within ACLEI's jurisdiction. The investigation considered 3 allegations:

1. Whether there was corruption by Home Affairs staff in relation to the provision of Australian visas for Crown VIPs.
2. Whether there was corruption by ABF staff in relation to the clearing of those VIPs at the Australian border.
3. Whether an ABF staff member engaged in corrupt conduct while employed by a VIP junket operator.

The investigation did not find evidence of corrupt conduct by Home Affairs or ABF staff in relation to any of the 3 allegations. However, we did identify a number of issues with the administration of the visa support arrangement between Home Affairs and Crown and off-terminal clearances by the ABF. These issues included lack of documentation about the visa support arrangement, poor record keeping, including gaps in recorded reasons for decisions, and a lack of understanding of national policies and procedures for front line staff.

Operation Drysdale: an investigation into possible corrupt activity in relation to the Tourist Refund Scheme

Operation Fortescue resulted in the Integrity Commissioner commencing an own-initiative investigation, Operation Drysdale. Operation Drysdale involved an in depth examination of the TRS system and sought to identify whether other ABF officers engaged in conduct similar to that found in Operation Fortescue. It also sought to identify any corruption risks associated with the TRS to prevent potential corrupt conduct.

The investigation identified one additional instance of suspicious TRS processing activity that was referred to Home Affairs for further investigation. The investigation did not identify systemic corruption.

Operation Ruby: an investigation into corruption issues between current and former AFP members and criminal elements

Operation Ruby considered an allegation that a member of the AFP was releasing sensitive information to a drug syndicate. These allegations arose from a referral made to ACLEI. Operation Ruby was a joint investigation between ACLEI and AFP, with the assistance of the NSW Police. The investigation identified that an AFP officer released sensitive information to a drug syndicate. In return he received up to \$7,000. The AFP officer and members of the syndicate were charged with related offences. The AFP officer was sentenced to 22 months' imprisonment, which was suspended after he served 11 months of that time. His employment with the AFP was terminated. In 2020, the Court ordered the forfeiture of \$306,643 of his superannuation to the Commonwealth. The Integrity Commissioner made a corruption finding against the AFP officer for the disclosure of this information.

Operation Swan: an investigation into allegations of corrupt conduct by a biosecurity officer

Operation Swan was an investigation into allegations that a staff member of the then Department of Agriculture with quarantine inspection duties may have engaged in corrupt conduct. It was alleged that the staff member had accepted payments to clear imported goods without inspection and had other Agriculture staff members on their 'payroll' to engage in the same conduct. Additional information suggested the staff member was involved in illegal drug supply activities outside of work. Operation Swan was conducted as a joint investigation with Agriculture, ABF, AFP and Victoria Police, to effectively deal with both sets of allegations—those relating to corruption and those relating to supplying illegal drugs. The investigation confirmed that the staff member had been engaging in illegal drug supply activities outside of work but did not substantiate the corrupt conduct alleged in the referral. However, the investigation identified that the staff member had been engaging in systematic theft of office supplies from their workplace. The Integrity Commissioner found that these activities constituted corrupt conduct as it involved the staff member abusing their office as a staff member of Agriculture.

Operation Voss: an investigation into corruption issues relating to cargo inspections by a DAWE staff member

Operation Voss considered an allegation that a staff member of DAWE assisted the owners of a company to import plants into Australia by conducting lenient quarantine inspections and by passing sensitive information to them. The officer was charged with receiving a bribe by a Commonwealth public official and for the disclosure of information. He was sentenced to 3 years' imprisonment, which was suspended. The Integrity Commissioner made a corruption finding against the officer. The Integrity Commissioner found he abused his office by receiving a bribe as a Commonwealth public official and by disclosing sensitive information to enable the importation of plants into Australia.

Operation Swordfish: an investigation into an allegation of inappropriate influence in visa processing

Operation Swordfish considered an allegation that a former Home Affairs staff member used their position to influence the processing of visas for a personal financial benefit. Following an investigation by ACLEI, the Integrity Commissioner found that the former Home Affairs staff member used their position to process visa applications outside of the department's policies and procedures, receiving money on at least 2 occasions, totalling \$9,798.

Operation Swordfish formed part of the Visa Integrity Task Force, established by ACLEI in 2017 to target corrupt conduct by staff members involved in the issue of visas in various Australian and overseas posts.

Operation Zelinsky: an investigation into an allegation of corrupt conduct by a DAWE staff member

Operation Zelinsky was an investigation into an allegation a staff member of Department of Agriculture, Water and the Environment (DAWE) used his position to benefit a company to import building products from China into Australia. It was alleged that he had significant involvement with the company.

The investigation found that the officer used his position to benefit the company, by obtaining confidential commercial information about the company's competitors, and enabling the release and clearance of the company's consignments quickly. The officer was charged with abuse of office contrary to the *Criminal Code Act 1995* (Cth) (Criminal Code) and was sentenced to one year and 11 months' imprisonment, to be served by way of an Intensive Corrections Order. He was also required to complete 500 hours' community service work and ordered to pay a fine of \$10,000. The Integrity Commissioner also found that the officer had engaged in corrupt conduct through abusing his office as a staff member of DAWE.

Operation Walpole: an investigation into an allegation of corrupt conduct by an ABF officer

Operation Walpole considered an allegation that an officer of the ABF engaged in corrupt conduct during the execution of a search warrant by disposing of white powder contained in a 'deal bag' located in the course of the search. The white powder was alleged to have been flushed down a toilet in the premises in contravention of established procedures and practices. The investigation confirmed that the conduct had occurred but that the officer had not engaged in this conduct for a corrupt purpose.

Prosecutions

Eight prosecutions arising from ACLEI investigations were concluded during the year.

Operation Dreadnought

In August 2020, the Mackay Magistrates Court sentenced a former ABF officer in relation to a charge of abuse of office contrary to s 142.2(1) of the Criminal Code. The former ABF officer was sentenced to 6 months' imprisonment to be released forthwith to be of good behaviour for 9 months with a recognizance of \$1,000.

Operation Voss

In September 2020, the Victorian County Court sentenced 2 commercial importers for corruption-related offences. One was convicted of providing corrupting benefits a Commonwealth public official contrary to s 142.1 of the Criminal Code and was sentenced to 18 months' imprisonment and a fine of \$20,000, to be released on a recognizance of \$2,000 to be of good behaviour for 2 years. The other was convicted of aiding and abetting the giving of a corrupting benefit of a Commonwealth public official contrary to subss 11.2(1) and 142.1(1) of the Criminal Code and was sentenced to 7 months' imprisonment to be released on a recognizance of \$1,000 to be of good behaviour for 1 year.

Operation Fortescue

In September 2020, the Brisbane Magistrates Court convicted a former employee of the ABF of 55 counts of obtaining a financial advantage by deception contrary to s 134.2(1) of the Criminal Code. The officer was sentenced to 18 months' imprisonment, to be released immediately upon entering a recognizance of \$5,000 to be of good behaviour for 3 years on the condition that they be subject to the supervision of a probation officer for 12 months.

Operation Ajax

In September 2020, the ACT Magistrates Court convicted a former employee of Home Affairs of an offence under the Criminal Code relating to the use of forged documents (contrary to subss 11.1(1) and 145.1(1) of the Criminal Code) and attempted use of forged documents. The former employee was sentenced to a 12 month Good Behaviour Order and 200 Hours of Community Service and ordered to pay reparation in the sum of \$4,564.12 with 2 years to pay.

Operations Pantan and Blackwood

In March 2021, the ACT Magistrates Court acquitted a former AFP officer in relation to a charge of abuse of office contrary to s 142.2 of the Criminal Code and a charge of unauthorised possession of a prohibited firearm contrary to s 42 of the *Firearms Act 1996* (ACT).

Operation Zelinsky

In March 2021, the District Court of New South Wales sentenced a former employee of DAWE in relation to a charge of abuse of public office contrary to subs 142.2(1) of the Criminal Code. The former biosecurity officer was sentenced to one year and 11 months imprisonment, to be served by way of an intensive corrections order. The former officer was also fined \$10,000 and ordered to complete 500 hours of community service.

Operation Overbeek

In April 2021, the Melbourne Magistrates Court found that charge of aiding and abetting an abuse of office by a former DAWE employee contrary to subss 11.2(1) and s 142.2 of the Criminal Code was proven. The former employee was conditionally discharged pursuant to s 19B of the *Crimes Act 1914* on the condition of good behaviour for 2 months.

Prosecutions before the courts

Six prosecutions were before the courts at the end of the 2020–21 reporting period.

Patterns and trends in corruption

We observed a number of patterns and trends in the corruption investigations that were finalised by ACLEI or agencies within our jurisdiction and resulted in findings of corrupt conduct or wrongdoing in 2020–21. Each year, we produce classified vulnerabilities reports for agencies outlining our observations from our operational work. An unclassified overview of these observations is as follows.

Unauthorised access to and disclosure of protected information

Misuse of access to information systems is an ongoing vulnerability affecting all agencies within ACLEI's jurisdiction. In the reporting period, investigations revealed that officers had accessed systems and made unlawful disclosures to:

- companies seeking commercial advantages
- criminal syndicates seeking to facilitate illegal conduct or evade justice
- family or friends, including through a perceived sense of duty or a desire to increase social capital.

Agencies must have policies and procedures in place to protect the security of sensitive or valuable information. Good practice should include regular auditing of accesses to those systems or databases to identify any instances of access that may not be for an official purpose. Where IT systems are used across agencies, auditing may need to be undertaken by each agency involved to ensure that unauthorised accesses are properly identified.

In 2020–21, ACLEI investigations identified instances where staff were provided

with accesses to information, systems or databases that were not routinely required for the execution of their duties—thereby increasing the risk of misuse. Where feasible, agencies should consider restricting access to information, systems or databases to roles requiring such access. Following ACLEI’s investigations, some agencies have modified user access and other system controls to limit the opportunity for unauthorised access.

The risk of unauthorised access to and disclosure of information is heightened in a COVID-19 context, when access to information systems may not be as well monitored in the absence of the usual in-person oversight that occurs in the physical workplace.

This year, Home Affairs carried out an Active Detection Program of one of its commonly used systems. This program proactively audited access to the system and identified hundreds of instances of unauthorised access that could have otherwise gone undetected (see Case Study 1 in the Annual Performance Statement).

Integrity of decision-making processes

The finalisation of ACLEI and agency investigations in the reporting period, in addition to the historical Visa Integrity Taskforce investigations, highlight potential corruption risks in decision making processes, such as offshore visa processing. As a result, agencies worked to address vulnerabilities such as record-keeping practices offshore, audit capability of electronic systems and improved case management processes to avoid officers being able to circumvent internal controls to act in a corrupt manner. ACLEI provided training to assist staff with identifying and managing corruption risks associated with their roles in the immigration decision-making process.

The vulnerabilities identified in immigration decision-making processes may also apply to other decision-making processes, particularly high volume processes that involve discretion or where decision makers can choose to access cases to make decisions.

Grooming

Investigations finalised during the reporting period highlighted the ongoing vulnerability of law enforcement officials to grooming. Law enforcement officials were deliberately targeted by commercial and criminal entities with a view to corrupting them to secure undue advantages. Some investigations identified that officials can unwittingly fall victim to grooming when personal and professional relationships evolve in ways that compromise their integrity and might only realise they have been exploited after having engaged in corrupt conduct.

It is essential that staff members understand the value of the information they have access to and avoid ‘self-managing’ risk. If approached by someone in their social network for favours or information, staff should act early and report any approach to their manager or agency integrity unit. There is never any justification for disclosing official information to family, friends or other unofficial contacts.

Team members who become aware of behaviour indicating that a colleague may be subject to an exploitative relationship should speak up. Speaking up early can minimise harm to the colleague, team, and/or agency, and potentially members of the public. As mentioned above, another mitigation is to ensure that staff members only have access to the information they need to perform their role.

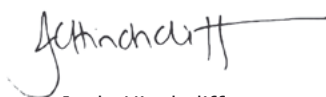


Part Three

Annual Performance Statement 2020–21

Statement by the accountable authority

As Integrity Commissioner and accountable authority for the Australian Commission for Law Enforcement Integrity, I am pleased to present the agency's 2020–21 annual performance statement as required under para 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). In my opinion, based on the advice of ACLEI's Audit Committee, this annual performance statement accurately reflects ACLEI's performance during 2020–21 and complies with subs 39(2) of the PGPA Act.



Jaala Hinchcliffe
Integrity Commissioner

Our reporting framework

The Law Enforcement Integrity Commissioner Act 2006

The *Law Enforcement Integrity Commissioner Act 2006* (LEIC Act) establishes the office of the Integrity Commissioner and ACLEI, and details the Integrity Commissioner's functions. It also sets ACLEI's priorities—to investigate allegations of serious and systemic corrupt conduct in designated law enforcement agencies. In conjunction with the Law Enforcement Integrity Commissioner Regulations 2017 (LEIC Regulations), the LEIC Act details a range of reporting requirements, including specifying a range of matters that must be reported in the Integrity Commissioner's annual report.

Portfolio budget statements

ACLEI operates under the Australian Government's outcomes and programs framework. Government outcomes are the intended results, impacts or consequences of actions by the government on the Australian community and government programs are the primary means by which agencies achieve their intended outcomes.

The portfolio budget statements (PBS) set out the outcome that government seeks from ACLEI in meeting the objects of the LEIC Act and the program that is the primary vehicle by which ACLEI will achieve the outcome.

Our outcome

Independent assurance to the Australian Government that Commonwealth law enforcement agencies and their staff act with integrity by detecting, investigating and preventing corruption.

Our program

Detect, investigate and prevent corruption in prescribed law enforcement agencies; assist law enforcement agencies to maintain and improve the integrity of staff members.

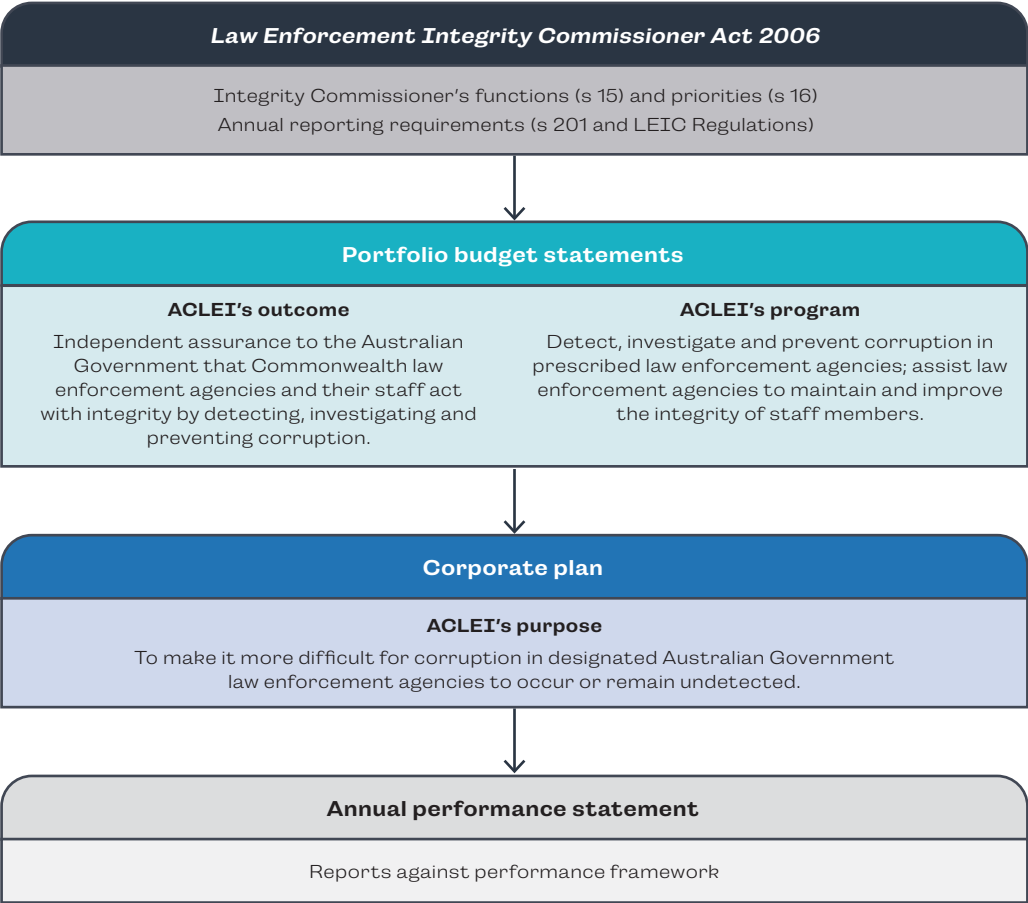
Corporate plan

Our Corporate Plan 2020–24 was prepared in accordance with the requirements of the PGPA Act, and sets out how ACLEI plans to achieve its purpose—to make it more difficult for corruption in designated Australian Government law enforcement agencies to occur or remain undetected.

The corporate plan also details how we assess our performance against the performance criteria set out in the PBS, using a range of qualitative and quantitative indicators.

Together, the LEIC Act, the PBS and the Corporate Plan 2020–24 establish ACLEI’s performance framework and performance criteria. The annual performance statement describes our achievements against our performance framework for 2020–21, shown in Figure 2.

Figure 2: Our reporting framework



In preparing our annual performance statement, we draw our data from our case management system and other corporate recordkeeping systems and, where appropriate, validate this data with other agencies.

Where appropriate, the presentation of our results includes tables or graphs breaking down information by agency or comparing outcomes over previous years.

This is the first year that ACLEI has reported on its revised performance measures, as set out in the Corporate Plan 2020–24. There are a number of performance measures where the results in this Annual Performance Statement will establish a baseline that will be used for comparison purposes in future years. Noting that ACLEI's jurisdiction has expanded in 2021 and the agency has grown significantly, these baseline measures will be kept under evaluation to ensure that they provide a true measure for comparison.

2020–21 performance review



As Table 1 shows, ACLEI performed well against its performance measures and targets in 2020–21, meeting our targets for 17 out of the 19 performance measures that were due to be measured in 2020–21 (which is a success rate of 89% of our performance measures meeting our targets). In the key activities of supporting our partner agencies and corruption prevention activities, ACLEI met all of our performance measure targets for the year. In the key activities of assessments and ACLEI investigations, we met all of our performance measures apart from one.



The context in which we have performed in 2020–21 is important to note. During 2020–21 ACLEI received a greater number of notifications and referrals, and assessed a greater number of matters, than ever before and submitted the highest number of final investigation reports to the Attorney-General in any one year. This is to say that in undertaking our key activities we have had the busiest year in our 15-year history. At the same time, we have also had a significant focus on bringing new agencies into our jurisdiction and undertaking the recruitment activities to support this expansion. We have also focused on preparing final investigation reports under s 54 of the LEIC Act, to address a backlog of reports that need to be prepared.

We will continue to focus on these issues in 2021–22. In addition, we remain conscious of the need for timely assessments of the referrals and notifications of potential corruption issues made to us. In 2019–20 we set a stretch target for ourselves in relation to the percentage of assessments we could complete in 30 days. This target was continued in our new performance measure for 2020–21 at Measure 1.3. Overall, our assessment times have improved since the previous year. However, we did not meet our target of 90%. See below for analysis regarding our performance against Measure 1.3.

ACLEI will also continue to work closely with the Commonwealth Director of Public Prosecutions (CDPP) on the preparation of quality briefs of evidence to increase the percentage of briefs of evidence where a charge is recommended after assessment by the CDPP (Measure 2.4). We will continue to provide information to agencies to support non-criminal processes or sanctions where appropriate. See below for analysis regarding our performance against Measure 2.4.

Table 1: Overall performance

Measure			Target	Result for 2020–21
 Key activity 1: Assessments	1.1	Number of notifications and referrals of alleged corrupt conduct received by ACLEI*	Annual count	478
	1.2	Number of completed assessments	The equivalent of 90% of the number of matters received that year	102%
	1.3	Percentage of assessments completed within 30 days	90%	64%
	1.4	Percentage of survey responses from agencies indicating a rating of satisfied (or better) with the timeliness of our assessment work [†]	70%	Biennial survey will be run in 2021–22
 Key activity 2: ACLEI investigations	2.1	Number of investigations commenced*	Annual count	33
	2.2	Number of investigations finalised, either through being completed, discontinued or reconsidered	The equivalent of 80% of the number of investigations commenced that year	106%
	2.3	Average duration of finalised investigations	Baseline to be established	651 days
	2.4	Percentage of briefs of evidence where a charge is recommended after assessment by the CDPP	90%	50%
	2.5	Number of reports under s 54 of the LEIC Act completed	Baseline to be established	11
	2.6	Number of corruption findings made*	Annual count	10
	2.7	Number of times evidence is disseminated under s 146 of the LEIC Act*	Annual count	8
	2.8	Percentage of survey responses from agencies demonstrating a rating of satisfied (or better) with the timeliness and professionalism of our investigations [†]	70%	Biennial survey will be run in 2021–22

Measure			Target	Result for 2020–21
 Key activity 3: Supporting partner agency investigations	3.1	Number of investigations referred to partner agencies for investigation (broken down by referred, referred with oversight and referred with management)*	Annual count	90
	3.2	Number of investigations by partner agencies finalised and report provided under s 66 of the LEIC Act*	Annual count	91
	3.3	Average duration of finalised investigations by partner agencies	Baseline to be established	862 days
	3.4	Percentage of reviews of s 66 reports completed within 30 days	80%	97%
	3.5	Percentage of survey responses from agencies demonstrating a rating of satisfied (or better) with the quality of our contributions [†]	70%	Biennial survey will be run in 2021–22
 Key activity 4: Prevention	4.1	Number of presentations provided*	Annual count	22
	4.2	Percentage of feedback from participants in presentations demonstrating a rating of 'satisfied' or better	80%	92%
	4.3	Number of corruption prevention products published*	Annual count	3
	4.4	Trends are identified in: <ul style="list-style-type: none"> • notifications and referrals, and • s 66 reports received from partner agencies 	Qualitative survey of the trend analysis undertaken on incoming notifications and referrals	Yes
	4.5	Number of submissions made to, and appearances before, parliamentary committee processes*	Annual count	11
	4.6	Percentage of survey responses from agencies demonstrating a rating of satisfied (or better) with the quality of our corruption prevention work [†]	70%	Biennial survey will be run in 2021–22

* As provided by subs 16E(2) item 5 of the PGPA Rule, it is not reasonably practicable to include targets for these measures and instead an annual count is used. This is because the number will vary from year to year and is not within ACLEI's control. However, this annual count, when combined with other measures outlined, provides important information against which to assess the workload of the agency during the period and our efficiency and effectiveness in managing that workload.

[†] These measures will be assessed via a biennial stakeholder survey. The first of these surveys will be conducted in 2021–22.

Key activity 1: Assessments



Our assessments-related performance metrics

Source of metric	2020–21 PBS p 107, ACLEI Corporate Plan 2020–24 p 7, LEIC Act subpara 201(a) (i–iii), ss 11–13 LEIC Regulations		Results at a glance
Measures	1.1	Number of notifications and referrals of alleged corrupt conduct received by ACLEI	478
	1.2	Number of completed assessments	102%
	1.3	Percentage of assessments completed within 30 days	64%
	1.4	Percentage of survey responses from agencies indicating a rating of satisfied (or better) with the timeliness of our assessment work	Biennial survey will be run in 2021–22
Related reporting requirements under the LEIC Act and LEIC Regulations	For corruption issues notified by agency heads, referred by others or which were the subject of own-initiative investigations by the Integrity Commissioner: <ol style="list-style-type: none"> the number of corruption issues notified by agency heads referred by others or dealt with on own-initiative a description of the kinds of corrupt conduct to which the corruption issues relate and the number of corruption issues that relate to each kind of corrupt conduct the number of the corruption issues in relation to which the Integrity Commissioner decided to take no further action and the Integrity Commissioner's reasons for this decision the number of corruption issues for which the law enforcement agency conducted an investigation that is being, or was, managed or overseen by the Integrity Commissioner. 		See Appendix 3 — Statistical reporting

Overview: assessments performance

Under the LEIC Act, the heads of agencies within ACLEI's jurisdiction are required to notify the Integrity Commissioner when they become aware of information about corruption within their agencies. These are called 'notifications'. ACLEI can also receive information about potential corruption issues from other sources—including other federal and state government agencies, ministers, individuals within an agency or members of the public. These are called 'referrals'. At times, ACLEI becomes aware of a potential corruption issue through other means, including through its own investigations, and assesses whether it should be investigated using the same process as for assessing notifications and referrals. We refer to these as 'own-initiative' matters.

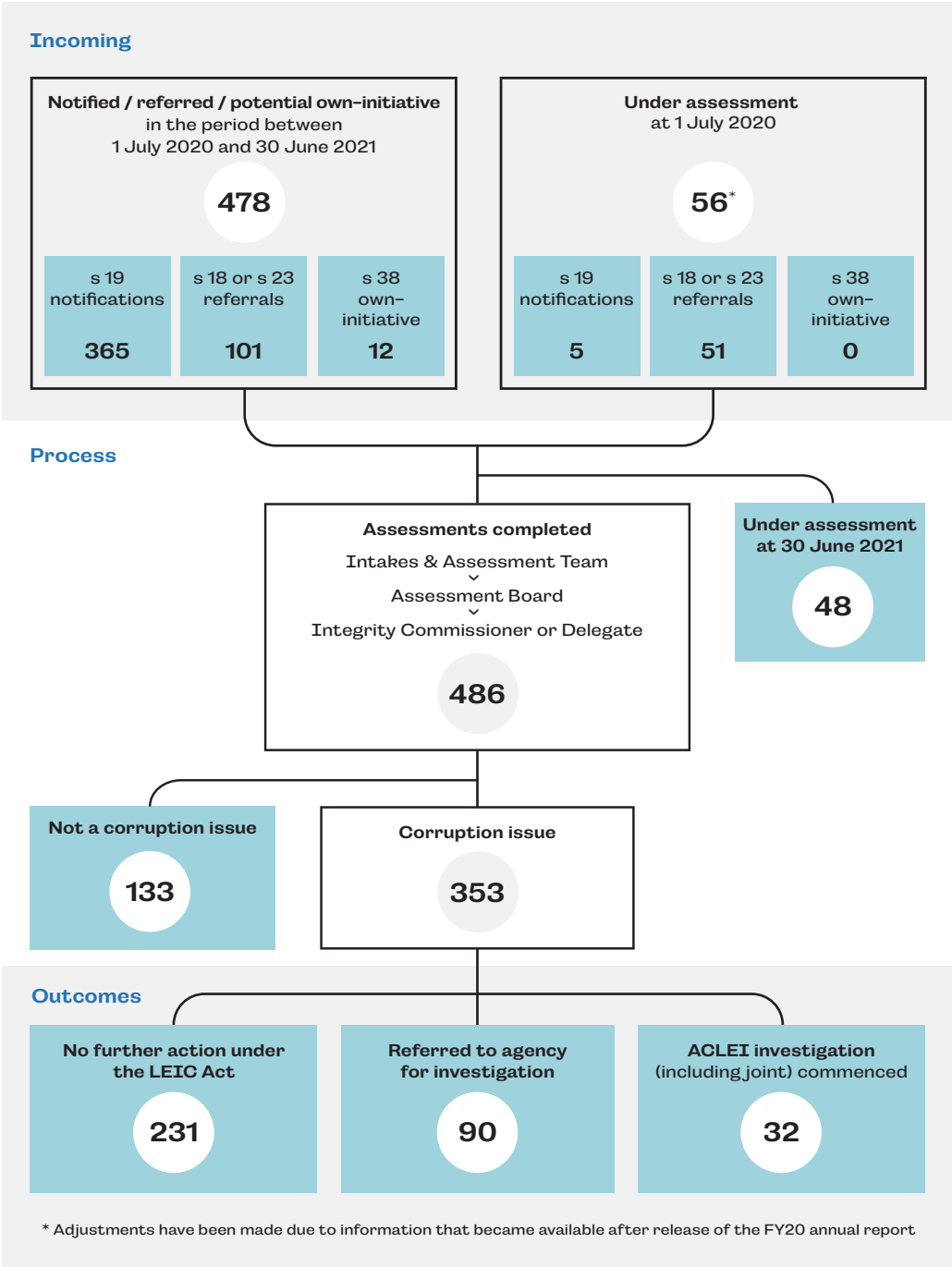
We assess all matters according to the criteria set out in the LEIC Act to determine whether the matter raises a corruption issue that falls within ACLEI's jurisdiction. If this is the case, the Integrity Commissioner determines how best to deal with the matter. We are conscious of the need to ensure our investigative resources are focused on investigating serious corruption and systemic corruption, as required by s 16 of the LEIC Act.

Our process for assessment treats notifications, referrals and own-initiative matters in the same way, regardless of their source.

- Our assessment of a matter commences on the date we receive it.
- Our assessment of a matter is concluded once the Integrity Commissioner or her delegate has decided how to deal with it.
- If we seek further information from the agency or person notifying or referring the matter in order to conclude our assessment, we 'stop the clock' on our assessment. This gives us a truer sense of the time ACLEI takes to assess a matter.

Figure 3 provides an overview of our assessments process and outcomes in 2020–21.

Figure 3: ACLEI assessments – Year ended 30 June 2021



Performance measure 1.1

Measure	Target	Result
Number of notifications and referrals of alleged corrupt conduct received by ACLEI	Annual count of number of notifications and referrals received by ACLEI.	478

In 2020–21, ACLEI received a total of:



This is the highest number of matters that ACLEI has received for assessment in a single year.

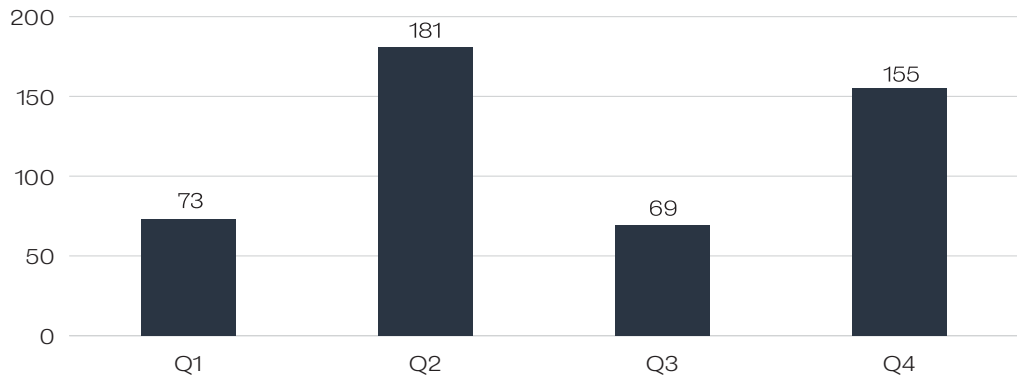
Table 2 shows the matters received and assessed by ACLEI in 2020–21.

Table 2: Total matters received in 2020–21

	Notifications	Referrals	Own-initiative	Total
Total matters received	365	101	12	478
Under assessment at 30 June 2021	28	14	2	44
Number of matters assessed as being out of jurisdiction	32	62	2	96
Total number of matters assessed to be corruption issues during the period (Previous year results shown in brackets)	305 (172)	25 (38)	8 (6)	338 (216)

In the year, there were 2 bulk notifications from Home Affairs (in the second and fourth quarters) arising from the department’s active detection program into unauthorised access (see Case Study 1). The effect of these bulk notifications can be seen in Figure 4, which shows the number of matters (including notifications, referrals and potential own-initiative investigations) received each quarter. Results in the next year will provide guidance as to whether ACLEI is likely to receive bulk notifications into the future and should, therefore, plan capacity for such events.

Figure 4: Total matters received in 2020–21 by quarter received



As shown in Table 3 and Figure 5, in 2020–21 Home Affairs accounted for 71% of total matters received by ACLEI, followed by the AFP with 23%. This level of activity is expected based on the size of these agencies’ workforces and the nature of the functions performed by these agencies that give rise to corruption risks.

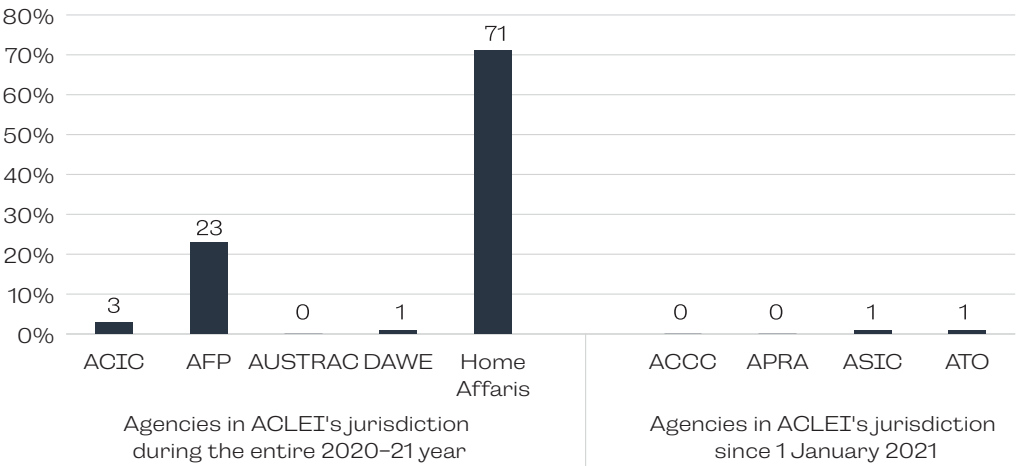
We received 12 matters relating to the 4 agencies that were brought into jurisdiction on 1 January 2021, representing 3% of total matters received in the 2020–21 year. This number was lower than anticipated and may reflect, in part, our jurisdiction, which is limited to corrupt conduct that relates to a law enforcement function of these agencies.¹

1 For further detail, refer to information about ACLEI’s jurisdiction at page [12–13](#).

Table 3: Total matters received in 2020–21 by agency

Agencies in ACLEI's jurisdiction	Notifications	Referrals	Own-initiative	Total
During the entire 2020–21 year				
ACIC	3	9	0	12
AFP	63	43	4	110
AUSTRAC	0	1	0	1
Home Affairs	289	42	7	338
DAWE	3	2	0	5
Sub-total	358	97	11	466
Since 1 January 2021				
ACCC	0	0	0	0
APRA	0	0	0	0
ASIC	2	3	1	6
ATO	5	1	0	6
Sub-total	7	4	1	12
Total matters received	365	101	12	478

Figure 5: Percentage of total matters received in 2020–21 by agency



Case Study 1: Assessing the outcomes of Home Affairs' active detection program

We strongly support agencies identifying corruption risks and focusing on the integrity of their staff and systems. In November 2020, Home Affairs notified us that it had initiated an active detection campaign focusing on unauthorised access to one of its key systems.

The campaign resulted in 172 notifications of corruption issues to ACLEI in 2020–21 that were identified by Home Affairs as 'non-significant corruption issues'. The allegations related to staff members who had accessed their own record or that of a family member on only one occasion, and where there was no evidence of unauthorised disclosure of restricted information or any other inappropriate action.

In accordance with the standard process for all notifications or referrals, ACLEI's Intake and Assessment team prepared information about the notifications for consideration by the Assessment Board, including considering the tests to determine that the identified individuals were within ACLEI's jurisdiction and that the matters dealt with 'corrupt conduct' as defined by the LEIC Act. As part of the process, the team consulted with Home Affairs to seek additional information. The Assessment Board considered the notifications and determined that all of these notifications potentially raised a corruption issue.

The Assessment Board further considered the appropriateness of the 'non-significant' categorisation applied by Home Affairs to these matters in order to make recommendations to the Integrity Commissioner or her delegate about how they should be handled.

The Integrity Commissioner is required by the LEIC Act to prioritise serious and systemic corruption matters and to consider the available resources of both ACLEI and the relevant law enforcement agency in deciding how to deal with a corruption issue. As part of the notification process, Home Affairs indicated that it could take actions to finalise or further investigate these non-significant incidents of unauthorised access. On the advice of the Assessment Board, the delegate of the Integrity Commissioner determined that the matters would be appropriately managed by Home Affairs and decided:

- under para 26(1)(b) of the LEIC Act – to refer 3 corruption issues to Home Affairs for full investigation under the LEIC Act and to report back to the Integrity Commissioner.
- under para 32(8)(a) of the LEIC Act – to take no further action under the LEIC Act for the remaining non-significant corruption issues, on the basis that the Integrity Commissioner was satisfied that these issues would be appropriately investigated by Home Affairs through other mechanisms such as the Australian Public Service Code of Conduct.

This is the first instance of a jurisdictional agency referring potential corruption issues in bulk to ACLEI. The total number of matters received in these bulk notifications is close to or greater than total number of matters ACLEI usually assessed in prior years (see Figure 6). Of the 172 notifications:

- 57% were assessed within 30 days
- 100% were assessed within 45 days.

It is a testament to the capability of ACLEI's Intake and Assessment team to be able to deal with receiving such a historically high number of matters in bulk in the timely fashion that they did.

Performance measure 1.2

Measure	Target	Result
Number of completed assessments	The equivalent of 90% of the number of matters received that year.	102%

During 2020–21, ACLEI assessed **486** matters (including notifications, referrals and potential own-initiative investigations), which is equal to **102%** of the total number of matters received for assessment during the year (478), exceeding our target of assessing the equivalent of 90% of matters received in the year.

Of the 486 matters assessed, 434 were matters received in 2020–21; the other 52 were matters under assessment at 1 July 2020. As shown in Table 4, of the 534 matters that were available for assessment in 2020–21, 48 matters remained under assessment at 30 June 2021.

Table 4: Total matters available for assessment, including matters received and assessed in 2020–21 and under assessment at 30 June 2020 and 2021

	Total
Matters under assessment at 1 July 2020	56
Matters received in 2020–21	478
Total matters available for assessment	534
Matters assessed in 2020–21	486
Matters under assessment at 30 June 2021	48

Not all of the information we receive and assess raises a corruption issue, as set out in Table 5.

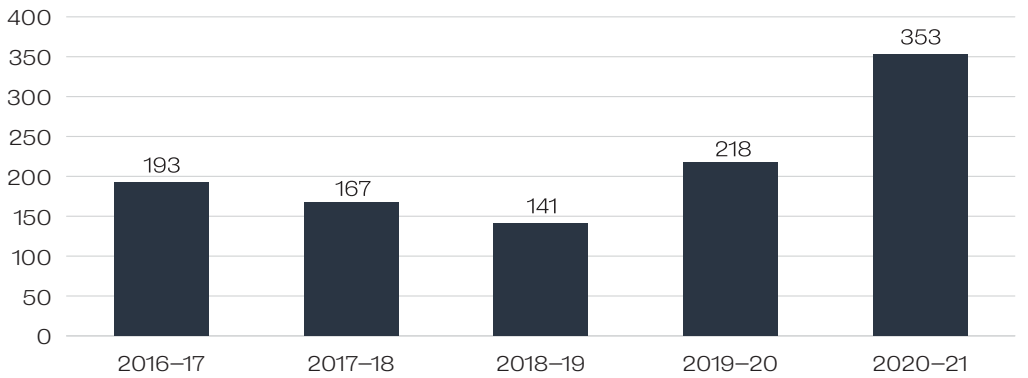
Of the 486 assessments completed in 2020–21, 353 (73%) raised a corruption issue within ACLEI’s jurisdiction.

Table 5: Total matters assessed as raising a corruption issue in 2020–21

	Assessed as being outside of jurisdiction	Assessed as raising a corruption issue	Total
Total number assessed	133	353	486

As Figure 6 demonstrates, in 2020–21 ACLEI assessed the most matters as raising a corruption issue in any year of the last 5 years. This was also a 62% increase compared to the number of assessments of matters raising a corruption issue in 2019–20.

Figure 6: Assessment statistics: matters assessed as raising a corruption issue—5 year comparison



These measures demonstrate that our assessment function is maturing and building efficiency. We were able to deal with receiving an historically high number of matters for assessment while continuing to deal with a number of historical matters.

There are several contributing factors that have supported our ability to conduct significantly more assessments this year than in previous years. Additional resources have been added to our Intake and Assessment team to enable this team to receive notifications and referrals, make initial decisions about whether a matter may be within jurisdiction and request further information when it is required. The establishment of the Assessment Board, which meets regularly to make assessment recommendations, has ensured that matters are being considered in a consistent manner. These measures will be reviewed over the coming year to ensure that we can continue to deal with increasing numbers of notifications and referrals, including from the new agencies.

Performance measure 1.3

Measure	Target	Result
Percentage of assessments completed within 30 days	Assessments of 90% of the matters received are completed within 30 days.	64%

In 2020–21, we assessed **486** notifications, referrals and own-initiative investigations. We completed these assessments in the following timeframes as outlined in Table 6.

Table 6: Time taken to complete assessments 2020–21

	Within 30 days (2020–21 target)	Within 45 days	Within 90 days (2018–19 target)
Assessments completed	64%	85%	90%

The shortfall in the timeliness of our assessments reflects a number of factors: the substantial increase in the number of notifications and referrals made to ACLEI in 2020–21; the complexity of notifications from the agencies new to our jurisdiction on 1 January 2021; and the time necessary to deal with referrals from members of the public.

- As noted above, ACLEI received its highest ever number of notifications and referrals this financial year—largely due to the bulk referrals from Home Affairs referred to in [Case Study 1](#), which made up 35% of all matters assessed by ACLEI in 2020–21. While we have been keenly focused on building our internal capacity to manage an increase in notifications and referrals, we will continue to review our internal resourcing and processes to ensure our Intake and Assessment team is appropriately resourced and that our processes and procedures are fit for purpose.
- While the total number of notifications and referrals from the agencies that joined ACLEI’s jurisdiction on 1 January 2021 has been low, it has been a time consuming and intensive process to assess whether matters fall within our jurisdiction under the 3 limb test (at page [12–13](#)). As we improve our understanding of the test and how it applies to each agency, assessments are expected to become more straightforward and quicker.
- Referrals from members of the public often involve multiple contacts, extensive documentation and complexity in determining if the referral falls within ACLEI’s jurisdiction, and if the matters raised constitute potential corruption. The Intake and Assessment team continues to work with the public to provide guidance and information about ACLEI’s role and jurisdiction and to streamline assessment processes wherever possible.

- ACLEI's Intake and Assessment team prioritises the assessment of matters raising significant corruption issues above all other matters. The assessment of 80% of these matters was completed within 30 days, and 90% within 45 days.

In our Corporate Plan for 2021–25, we have maintained the target of completing our assessment of 90% of notifications and referrals within 30 days of receipt. While we acknowledge that this will continue to be a stretch target, it reflects the importance of us undertaking our assessments in a timely way. This is particularly important for matters involving significant corruption, as the LEIC Act requires agency heads to stop taking any action in relation to those issues once they are referred to ACLEI. We will revisit this target later in 2021–22 and consider whether it is achievable in the longer term or whether it could be further refined to reflect the complexity of some of the assessments we undertake.

Performance measure 1.4

Measure	Target	Result
Percentage of satisfaction survey responses from agencies indicating a rating of satisfied (or better) with the timeliness of our assessment work.	70% measured through a biennial stakeholder satisfaction survey	Biennial survey will be run in 2021–22

ACLEI will run a biennial stakeholder survey in 2021–22, which will provide baseline data in relation to this measure.

Key activity 2: Investigations



Our investigations-related performance metrics

Source of metric	2020–21 PBS p 108, ACLEI Corporate Plan 2020–24 p 8, LEIC Act subpara 201(a)(iv), s 14 LEIC Regulations		Results at a glance
Measures	2.1	Number of investigations commenced	33
	2.2	Number of investigations finalised, either through being completed, discontinued or reconsidered	106%
	2.3	Average duration of finalised investigations	651 days
	2.4	Percentage of briefs of evidence where a charge is recommended after assessment by the CDPP	50%
	2.5	Number of reports under section 54 of the LEIC Act completed	11
	2.6	Number of corruption findings made	10
	2.7	Number of times evidence is disseminated under section 146 of the LEIC Act	8
	2.8	Percentage of survey responses from agencies demonstrating a rating of satisfied (or better) with the timeliness and professionalism of our investigations	Biennial survey will be run in 2021–22

Source of metric	2020–21 PBS p 108, ACLEI Corporate Plan 2020–24 p 8, LEIC Act subpara 201(a)(iv), s 14 LEIC Regulations	Results at a glance
Related reporting requirements under the LEIC Act and LEIC Regulations	<p>In relation to corruption issues investigated by the Integrity Commissioner for each agency:</p> <ol style="list-style-type: none"> the number of corruption issues investigated a description of the kinds of corrupt conduct to which the corruption issues relate and the number of the corruption issues that relate to each kind of corrupt conduct the number of the corruption issues which investigations by the Integrity Commissioner were completed for the investigations that were completed—a summary of the outcomes of the investigations, including the following: <ol style="list-style-type: none"> any recommendations made by the Integrity Commissioner any action taken as a result of the investigations if any disciplinary proceedings, criminal proceedings or civil penalty proceedings resulting from the investigations were commenced—the outcomes of the proceedings. 	See below and Appendix 3—Statistical reporting

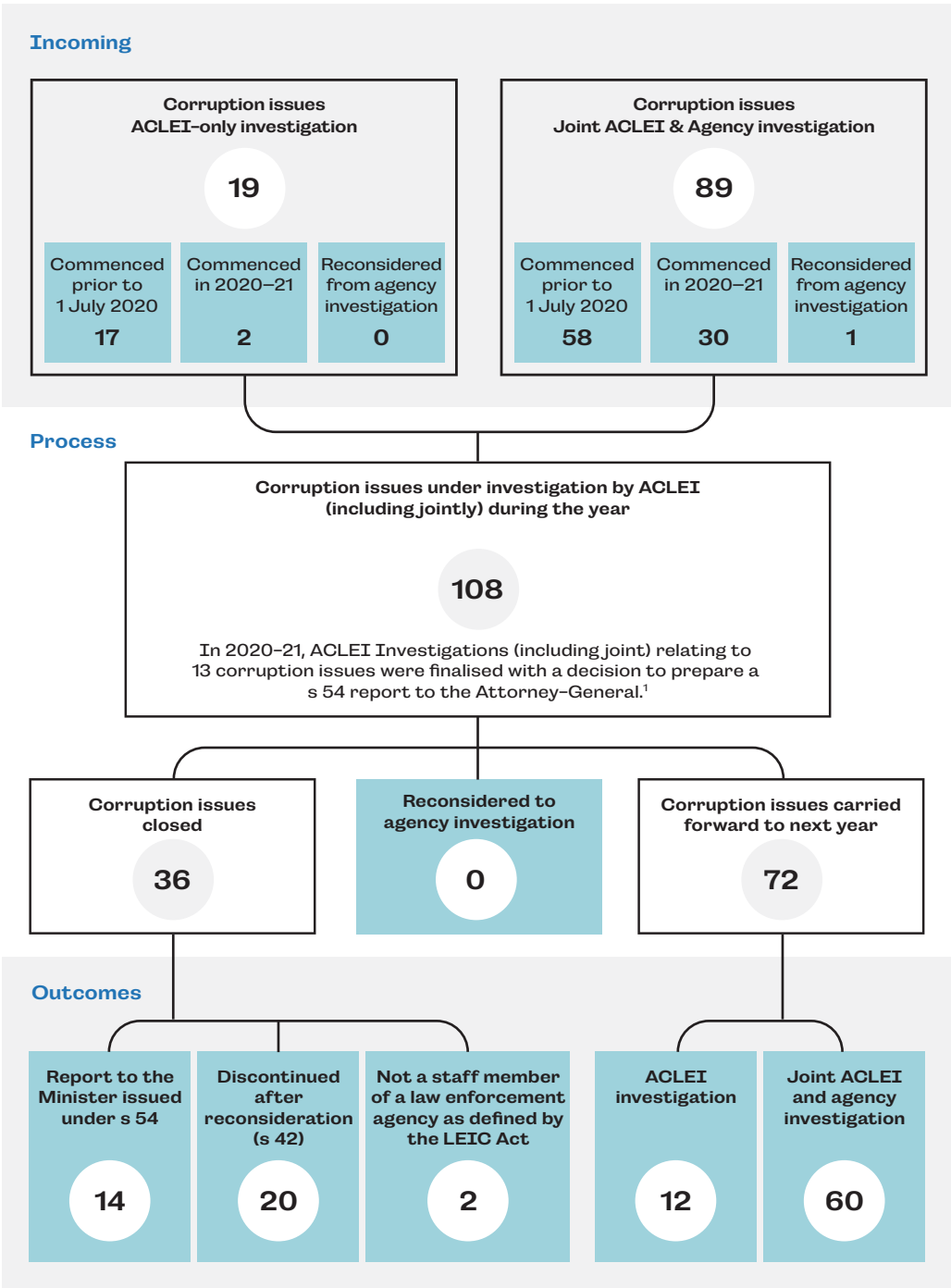
Overview: investigations performance

Overall, ACLEI’s performance in 2020–21 in relation to our investigations was positive:

- ACLEI finalised investigations into 35 corruption issues (including through a decision to prepare a final report on the investigation in relation to 13 corruption issues) and commenced investigations into 33 corruption issues (either alone or jointly)
- Eight prosecutions were concluded resulting in 6 convictions and one defendant being conditionally discharged to be of good behaviour.
- Eleven final investigation reports dealing with 14 corruption issues were provided to the Attorney-General, including reports relating to 4 corruption issues where the decision to prepare the report was made during the 2020-21 financial year.
- The CDPP assessed 4 briefs of evidence submitted by ACLEI and accepted 2 (50%). Our target is for 90% of briefs to be accepted by the CDPP.
- Information identified during ACLEI investigations was disseminated to agencies 8 times to enable disciplinary action concerning serious breaches of duty.

Figure 7 provides an overview of the progress of ACLEI-only and joint investigations for 2020–21.

Figure 7: Investigations 2020–21



1 Reports relating to 4 of these corruption issues were provided to the Attorney-General during the period and these corruption issues are considered closed. Reports for the remaining 9 corruption issues are being prepared and these corruption issues are carried forward to next year.

Performance measure 2.1

Measure	Target	Result
Number of investigations commenced	Annual count	33

In 2020–21, ACLEI commenced investigations into **33** corruption issues.

For this measure, ‘ACLEI investigations’ include those carried out by ACLEI alone or jointly with another agency. Included in this measure is one investigation that commenced as an agency investigation and was reconsidered by the Integrity Commissioner and became an ACLEI investigation.

The Integrity Commissioner is required to give priority to the investigation of serious and systemic corruption under s 16 and subs 27(f) of the LEIC Act. Serious corruption means corrupt conduct that could result in the staff member of a law enforcement agency being charged with an offence punishable, on conviction, by a term of imprisonment for 12 months or more. Systemic corruption is corrupt conduct that reveals a pattern of corrupt conduct in a law enforcement agency or agencies. This process of prioritisation is at the core of our assessment process and directly influences which matters and how many matters are dealt with as ACLEI-led or joint investigations and which matters are referred to other agencies to investigate alone.

In 2020–21, ACLEI commenced investigations in relation to staff members of ACIC, AFP, ATO, Home Affairs and DAWE. No investigations were commenced for staff members of ACCC, APRA, ASIC and AUSTRAC.

Table 7 shows the number of ACLEI investigations commenced by agency.

Table 7: Corruption issues investigated by ACLEI (including joint) commenced in 2020–21, by agency

	ACIC	AFP	ATO	Home Affairs	DAWE	Total
Investigations commenced	3	9	1	19	1	33

Figure 8 shows a comparison of the number of ACLEI investigations (including joint investigations) commenced, active and finalised in each of the past 5 years. It demonstrates the work that has been undertaken during that time to address a considerable backlog of investigations and to bring ACLEI’s load of active investigations to a manageable level for an agency of our size. The reduced numbers of new and active investigations in 2019–20 and 2020–21 signify our success in continuing to manage older cases, while taking on an appropriate number of new investigations. To achieve this balance ACLEI is continuing to actively identify and prioritise matters that should be investigated by ACLEI and those less serious matters which are better investigated by LEIC Act agencies.

Figure 8: Corruption issues investigated by ACLEI (including joint) – 5-year comparison

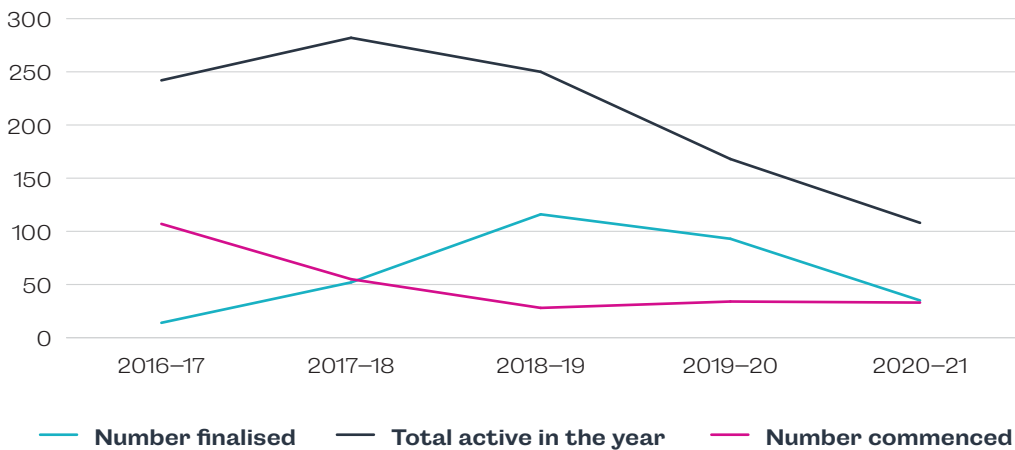


Table 8 demonstrates the number of ACLEI or joint corruption issue investigations underway, by agency, over the past 3 years. In 2020–21, ACLEI had investigations underway in relation to 108 corruption issues. This is the lowest number in the last 3 years. Notably, only one investigation was underway in relation to the agencies brought within ACLEI’s jurisdiction from 1 January 2021. This is a lower number than may have been expected and, as noted above in relation to performance measure 1.3, this is in part due to the complexity associated with assessing whether matters referred by these agencies meet the 3 limb test which applies to them (see pages [12–13](#)).

Table 8: corruption issues under investigation by ACLEI (including joint) during each period, by agency – 3 year comparison

Agencies in ACLEI's jurisdiction	2018–19	2019–20	2020–21
During the entire 2020–21 year			
ACIC	19	18	8
AFP	85	34	30
AUSTRAC	1	1	0
Home Affairs	130	105	63
DAWE	17	10	6
Sub-total	252	168	107
Since 1 January 2021			
ACCC	N/A	N/A	0
APRA	N/A	N/A	0
ASIC	N/A	N/A	0
ATO	N/A	N/A	1
Sub-total	N/A	N/A	1
Total matters received	252	168	108

Note: On rare occasions, following reconsideration by the Integrity Commissioner, a corruption issue investigation may appear as both an ACLEI investigation and a LEIC Act agency investigation in the same financial year. This happened in relation to one matter in 2020-21.

To achieve a more sustainable investigations workload, we have put in place a range of measures to better manage and prioritise our investigations with our key focus being the investigation of serious corruption and systemic corruption as required by the LEIC Act. We are also prioritising timely investigation and resolution, so we are able to help agencies manage the risks of specific corrupt actions and to manage vulnerabilities more generally.

One of our key mechanisms to achieve this is a 90 day review process, which allows us to quickly identify matters where further investigation is not warranted having regard to all the circumstances (for example, where there is no reasonable prospect of further investigation resulting in a corruption issue being proved). This allows us to more quickly close those matters, ensuring our investigative resources are put to the best use.

Performance measure 2.2

Measure	Target	Result
Number of investigations finalised, either through being completed, discontinued or reconsidered	The equivalent of 80% of the number of investigations commenced that year.	106%

This is an important measure for ACLEI to monitor its investigation capacity and to ensure that we do not inadvertently create a backlog of old investigations, as has occurred previously. To achieve our target for this measure, our Operations Board continually assesses the capacity of the investigation teams to take on more investigative work and the Executive Directors of Operations use regular reviews to ensure ACLEI investigations are targeted and timely.

In 2020–21, ACLEI finalised investigations into 35 corruption issues through them being completed or reconsidered. As investigations into 33 corruption issues were commenced (performance measure 2.1) in 2020–21, this resulted in us completing the equivalent of **106%** of the number of investigations commenced, exceeding our target. Table 9 shows the number of finalised investigations in 2020–21.

Table 9: ACLEI investigations (including joint) finalised (either completed or reconsidered) in 2020–21

	Number of corruption issues
Investigations completed—decision made to prepare a report (s 54)	13
ACLEI Investigation discontinued after reconsideration (s 42(3))	20
Not a staff member of a law enforcement agency as defined by the LEIC Act	2
Total	35

Where ACLEI has completed its investigation into a corruption issue, the Integrity Commissioner must prepare a report on the investigation under s 54 of the LEIC Act. An investigation is considered ‘complete’ when all realistic avenues of inquiry by ACLEI have been pursued. However, the Integrity Commissioner can also finalise investigations through reconsidering how to deal with a corruption issue and decide to take no further action.

In 2020–21, the Integrity Commissioner determined that the investigation of 13 corruption issues had been completed and decided to prepare a report to the Attorney-General under s 54 of the LEIC Act.

The Integrity Commissioner’s ability to reconsider how to deal with a corruption issue, under s 42 of the LEIC Act is an important mechanism for us to effectively and actively manage the use of our resources. Reconsideration may result in an ACLEI investigation becoming an agency-led investigation (or vice versa) or, in appropriate circumstances, the investigation being discontinued.

The Integrity Commissioner may decide to take no further action under s 42(3) where:

- the issue is already being or will be investigated by another agency
- the referral is frivolous or vexatious
- the corrupt conduct is or will be the subject of proceedings before a court, or
- further investigation of the corruption issue is not warranted having regard to all the circumstances, for example where there is insufficient evidence or where, following preliminary investigations, it becomes apparent that the relevant conduct was not undertaken by a person under ACLEI's jurisdiction.

Through ACLEI's 90 day review process, we can more quickly identify those matters where further investigation and investment of our resources is unlikely to result in us uncovering additional information relevant to a matter. Regularly reviewing our investigations and identifying these matters early allows ACLEI to ensure our resources are put to the best use.

In 2020–21, the Integrity Commissioner reconsidered 20 corruption issues being investigated by ACLEI, including joint investigations, and decided to take no further action on the basis that further investigation of the corruption issue was not warranted having regard to all the circumstances (subpara 42(3)(e)). These 20 matters can be further broken down as follows:

- In 6 matters, the investigation did not identify a person of interest. In 3 of these 6 matters, the investigation undertaken identified that any person of interest was likely to be in the broader importing supply chain rather than in ACLEI's jurisdiction.
- In 14 matters, the investigation did not identify any evidence to support the allegation.

Feedback is provided to relevant agencies when investigations are discontinued, to ensure the agency is aware of the steps taken as part of the investigation and any issues identified. In 14 investigations that were discontinued, information reports were provided to relevant agencies.

Performance measure 2.3

Measure	Target	Result
Average duration of finalised investigations	Baseline to be established	651 days

This is a performance measure of operational efficiency that was suggested by the Australian National Audit Office (ANAO) in its performance report *Operational Efficiency of the Australian Commission for Law Enforcement Integrity* (Auditor-General Report No.4 of 2018–19). It will allow ACLEI to measure over time our efficiency in completing our investigations. The average duration of investigations finalised in 2020–21 was **651** days.

The ANAO observed in their report that the average duration of completed ACLEI investigations has varied over time. Table 10 shows the average duration of finalised investigations as reported in the ANAO report.

Table 10: Average duration of finalised investigation as reported in the Australian National Audit Office report

	2012–13	2013–14	2014–15	2015–16	2016–17
Average duration	605	856	290	554	516

As noted in our 2019–20 annual report, over the last few years ACLEI has been investing in reducing our historical backlog of investigations. The average duration of completed investigations for 2020–21 includes a number of historical matters that were finalised this year, including 6 matters from the Visa Integrity Taskforce that commenced in 2017–18.

By comparison, the average duration of finalised investigations commenced in 2019 or later was 427 days (across all kinds of closure or finalisation). This represents a significant improvement in the timeliness of our investigations, which can be attributed to the process improvements that we have made over the past 2 years.

It goes without saying that investigations that are complex or require a significant period of time to investigate will be supported and advanced by ACLEI, while ensuring that matters that can be completed quickly are completed quickly.

The Operations Board, established in 2020–21, actively monitors the age of investigations, with particular focus on investigations that are more than 2 years old. The Operations Board considers the resourcing required to support investigations and the capacity of teams to complete their investigative load or take on more investigations.

ACLEI will continue to monitor the average duration of investigations to identify patterns and what attributes may contribute to longer, more complex investigations.

Performance measure 2.4

Measure	Target	Result
Percentage of briefs of evidence where a charge is recommended after assessment by CDPP	90%	50%

This is a performance measure of operational efficiency that was suggested by the ANAO in its performance report (Auditor-General Report No.4 of 2018–19). It will allow ACLEI to measure over time our efficiency in referring briefs of evidence as required by s 142 of the LEIC Act. In 2020–21, 4 briefs of evidence were assessed by the CDPP. In 2 cases, or **50%**, a charge was recommended.

Advice from the CDPP indicates that the 2 matters that did not proceed raised points of law and public interest. There was no suggestion that the ACLEI investigations or presentation of evidence were deficient.

Not included in the 2020–21 result above is one matter where a prosecution commenced by way of arrest rather than charges being laid after a brief was assessed by the CDPP. At 30 June 2021, the CDPP was assessing a further 6 briefs of evidence presented by ACLEI.

Unlike other Commonwealth agencies which have a discretion to refer briefs of evidence to the CDPP, the LEIC Act mandates that the Integrity Commissioner must assemble evidence and give it to the AFP or the CDPP where the investigation of a corruption issues results in admissible evidence of an offence against the Commonwealth (s 142 of the LEIC Act).

Given this requirement, ACLEI will continue to work closely with the CDPP to ensure our briefs are of the highest quality.

Performance measure 2.5

Measure	Target	Result
Number of reports under s 54 of the LEIC Act completed	Baseline to be established	11

In 2020–21, ACLEI completed **11** reports under s 54 of the LEIC Act, relating to 14 corruption issues.

This is a significant increase from 2019–20 when 3 reports were completed. The increase is a result of additional legal resources and prioritisation by ACLEI’s legal team and other teams to finalise investigations and prepare reports. Further information about each of the reports is at pages [22–25](#)

The LEIC Act provides for completed investigations to be reported by the Integrity Commissioner to the Attorney-General in order to provide transparency, both of corruption issues and of ACLEI’s operations and decisions.

ACLEI ensures that all processes and outcomes have been completed—including referral for prosecution, administrative sanctions and sentencing—before an investigation report is finalised. These processes can take a significant amount of time—years in some cases—and can contribute to a time-lag between the completion of ACLEI’s investigative activities and the submission of the final report. Prior to the completion of an investigation report, the Integrity Commissioner must provide procedural fairness to any person or government agency in relation to whom the Integrity Commissioner intends to include an opinion or finding that is critical (see s 51 of the LEIC Act). Case Study 2 (below) highlights the process for preparing a report under s 54.

The Integrity Commissioner may also decide to report publicly on an ACLEI investigation, as both a general deterrence mechanism and to ensure the public has visibility of ACLEI’s actions to investigate corruption in Commonwealth law enforcement agencies. Before publication, the Integrity Commissioner must provide procedural fairness to any person or government agency in relation to whom the Integrity Commissioner intends to include an opinion or finding that is critical (see s 210 of the LEIC Act).

ACLEI will continue to monitor the number of reports completed against this 2020–21 baseline, as we continue to deal with the backlog reports under s 54 of the LEIC Act.

Table 11 shows the dates throughout 2020–21 when reports were submitted to the Attorney-General.

Table 11: Reports provided to the Attorney-General in 2020–21

Report	Date provided to the Attorney-General pursuant to s 55 of the LEIC Act
Operation Adder	7 July 2020
Operation Zeus	7 July 2020
Operation Angove	31 July 2020
Operation Fortescue	5 August 2020 (Supplementary report 1 October 2020)
Operation Drysdale	5 August 2020
Operation Ruby	12 October 2020
Operation Swan	14 December 2020
Operation Voss	12 February 2021
Operation Swordfish	13 April 2021
Operation Zelinsky	21 June 2021
Operation Walpole	25 June 2021

Case Study 2: Operation Zeus

Operation Zeus is an example of the benefits of a strong joint investigation—in this case, a joint investigation by ACLEI, the AFP and Home Affairs. ACLEI focused on the corruption element of the allegations, the AFP investigated the related activities of a criminal syndicate and Home Affairs facilitated access to their information. All 3 agencies made contributions to the identification, arrest and briefs against the offender.

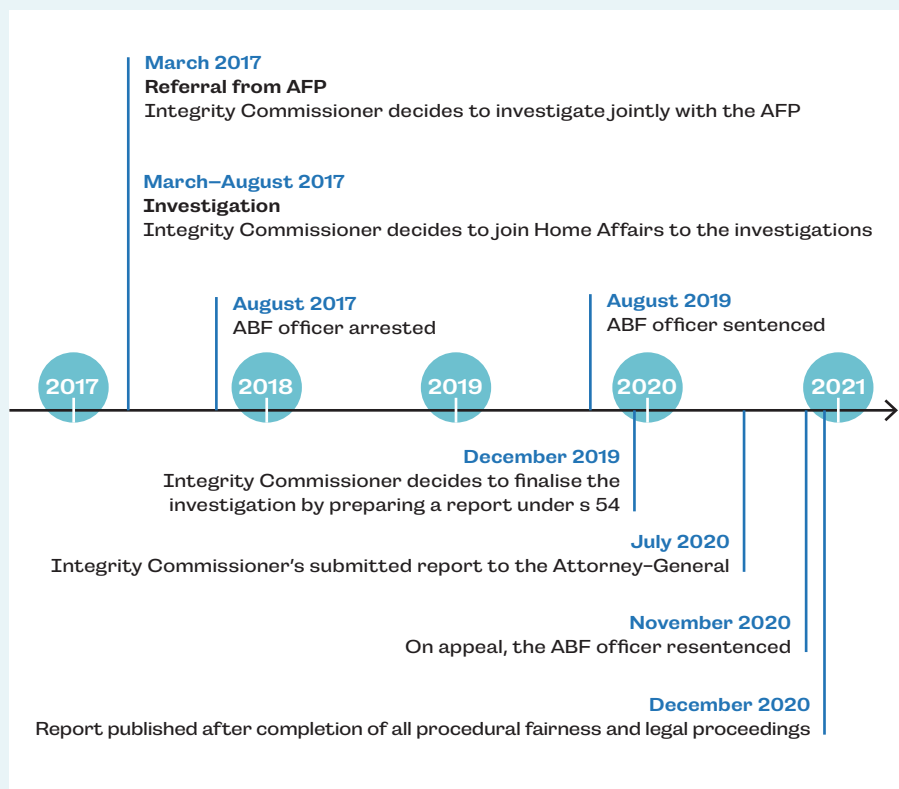
In March 2017, the AFP referred information to ACLEI indicating corrupt conduct by an unknown ABF officer. A related criminal investigation had identified that the unknown officer was assisting a criminal syndicate by facilitating the importation of undeclared tobacco.

The ABF officer was identified as a result of his multiple unlawful accesses to various ABF computer systems. The AFP arrested the ABF officer on 8 August 2017.

The ABF officer pleaded guilty to 2 charges. On appeal, the Supreme Court of New South Wales sentenced the ABF officer to 3 years and 6 months' imprisonment, with a non-parole period of 2 years. In related proceedings under the *Proceeds of Crime Act 2002*, the Supreme Court ordered that approximately \$1.8 million of the ABF officer's assets be forfeited to the Commonwealth.

A former Australian Customs and Border Protection Service officer was also charged with 5 offences relating to bribing a Commonwealth public official, possessing tobacco products knowing of an intent to defraud the government of revenue, dealing with the proceeds of crime (\$100,000 or more), dealing with the proceeds of crime (\$150,000 or more), and committing an offence for benefit of an organisation.

This investigation identified key corruption vulnerabilities including grooming of law enforcement officials by organised criminal groups and unauthorised disclosure of information. ACLEI published corruption prevention factsheets to assist agencies to mitigate these risks, which are available on the [ACLEI website](#).



Performance measure 2.6

Measure	Target	Result
Number of corruption findings made	Annual count	10

In 2020–21, **10** corruption findings were made as shown in Table 12.

Under the LEIC Act, the Integrity Commissioner may find that a person has engaged in corrupt conduct. These findings are made to an administrative standard—that is, on the balance of probabilities. This means that a corruption finding may be made in cases where a court may not be satisfied to the criminal standard (beyond a reasonable doubt) that a person has committed a criminal offence. These findings are an important mechanism whereby the Integrity Commissioner can convey the seriousness of the conduct involved.

In 2019–20, 6 corruption findings were made (5 in relation to Operation Valadon and 1 in relation to Operation Balaton). Table 12 shows the corruption findings in reports provided to the Attorney-General in 2020–21. The increase of total corruption findings in 2020–21 reflects the higher number of reports finalised.

Table 12: Corruption findings made in reports provided to the Attorney-General in 2020–21

Report	Abuse of office (para 6(1)(a))	Pervert the course of justice (para 6(1)(b))	Corruption of any other kind (para 6(1)(c))	Total
Operation Adder	0	0	1	1
Operation Zeus	1	0	0	1
Operation Fortescue	3	0	0	3
Operation Ruby	1	0	0	1
Operation Swan	1	0	0	1
Operation Voss	1	0	0	1
Operation Swordfish	1	0	0	1
Operation Zelinsky	1	0	0	1
Total	9	0	1	10

Performance measure 2.7

Measure	Target	Result
Number of times evidence is disseminated under s 146 of the LEIC Act	Annual count	8

In 2020–21 evidence was disseminated under s 146 of the LEIC Act **8** times.

The Integrity Commissioner may disseminate evidence obtained in an investigation to heads of agencies within ACLEI's jurisdiction to enable them to take action in relation to misconduct issues. This is an important mechanism whereby ACLEI can ensure that partner agencies are able to actively manage disciplinary matters relating to their staff while a corruption investigation is occurring. Table 13 shows the number of times information was disseminated and to which agencies.

Table 13: Summary of times information disseminated under s 146 of the LEIC Act in 2020–21 by agency

Agency	Number of times information disseminated
Home Affairs	6
AFP	1
DAWE	1
Total	8

Performance measure 2.8

Measure	Target	Result
Percentage of satisfaction survey responses from agencies indicating a rating of satisfied (or better) with the timeliness and professionalism of our investigations	70% measured through a biennial stakeholder satisfaction survey	Biennial survey will be run in 2021–22

ACLEI will run a biennial stakeholder survey in 2021–22, which will provide baseline data in relation to this measure.

Key activity 3: Supporting partner agencies



Our performance metrics relating to supporting partner agencies

Source of metric	2020–21 PBS p 108, ACLEI Corporate Plan 2020–24 pp 7–8, LEIC Act para 201(a)(iv), s 15 LEIC Regulation		Results at a glance
Measures	3.1	Number of investigations referred to partner agencies for investigation (broken down by referred, referred with oversight and referred with management)	90
	3.2	Number of investigations by partner agencies finalised and report provided under s 66 of the LEIC Act	91
	3.3	Average duration of finalised investigations by partner agencies	862 days
	3.4	Percentage of reviews of s 66 reports completed within 30 days	97%
	3.5	Percentage of survey responses from agencies demonstration a rating of satisfied (or better) with the quality of our contributions	Biennial survey will be run in 2021–22
Related reporting requirements under the LEIC Act and LEIC Regulations	<p>In relation to corruption issues referred by the Integrity Commissioner to a government agency for investigation, for each agency:</p> <ul style="list-style-type: none"> a. the number of corruption issues referred b. a description of the kinds of corrupt conduct to which the corruption issues relate and the number of corruption issues that relate to each kind of corrupt conduct c. the number of corruption issues where the Integrity Commissioner was managing or overseeing the investigation d. the number of corruption issues for which investigations by a government agency were completed 		See below and Appendix 3 —Statistical reporting

Overview: support to partner agencies performance

In 2020–21 ACLEI supported agencies through joint investigations, agency-led investigations and sharing corruption prevention information. The supporting partner agency measures relate specifically to ACLEI’s role in supporting agencies in relation to investigations that we have referred back to the agency within our jurisdiction for investigation.

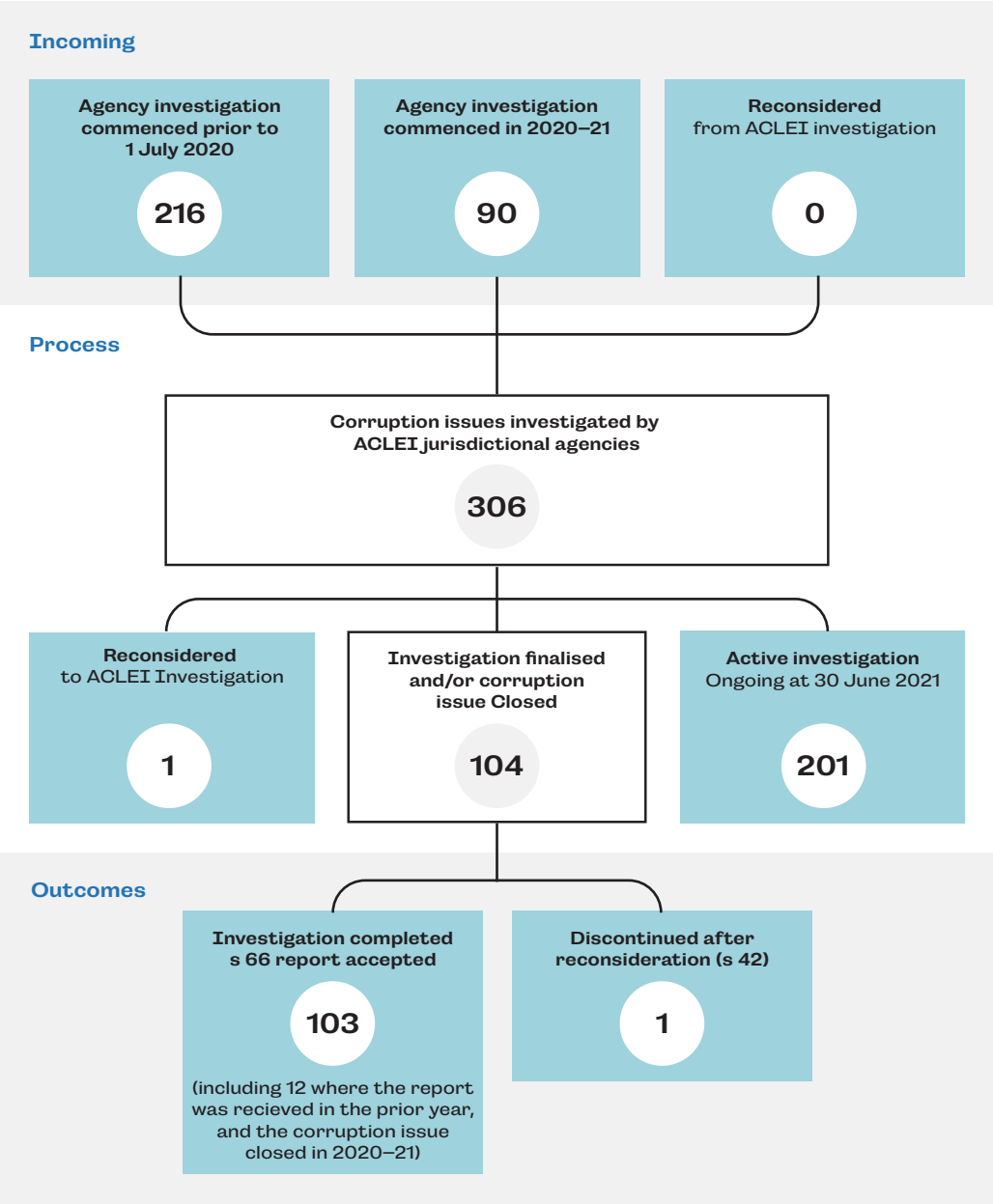
At the end of agency-led investigations, the agency must provide the Integrity Commissioner with a report of the investigation under s 66 of the LEIC Act. An agency is not required to submit a report if the Integrity Commissioner has reconsidered and discontinued the investigation.

The Integrity Commissioner can make recommendations or comments in relation to an agency’s investigation report. In order to consider whether to do so, ACLEI reviews these reports and provides advice to the Integrity Commissioner. ACLEI also provides information to agencies at an investigation level, including identifying any relevant trends or vulnerabilities. Section 66 reports are also used to inform our corruption prevention work more broadly.

All targets were met under this criteria.

Figure 9 shows the number agency investigations at the start of 2020–21, and the number of investigations at the end of 2020–21

Figure 9: Supporting partner agency investigations 2020–21



Performance measure 3.1

Measure	Target	Result
Number of investigations referred to partner agencies for investigation (broken down by referred, referred with oversight and referred with management)	Baseline to be established	90

In 2020–21, the Integrity Commissioner referred **90** investigations to partner agencies for investigation.

Of the 123 corruption issue investigations that commenced in 2020–21 (including ACLEI-led, joint and agency investigations, excluding one agency investigation reconsidered to joint investigation), 74% were referred to LEIC Act agencies to investigate.

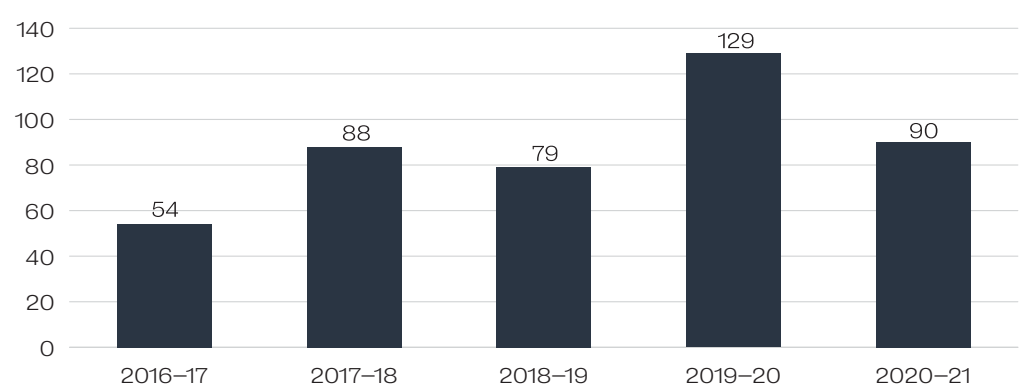
As indicated in Table 14, the majority of LEIC Act agency investigations related to Home Affairs and the AFP—reflecting the higher rates of referrals and notifications relating to those agencies, resulting from their size and the nature of their functions.

Table 14: Investigations referred to LEIC Act agencies for investigation in 2020–21 by agency

Agencies in ACLEI's jurisdiction	Referred with management s 26(1)(b)(i)	Referred with oversight s 26(1)(b)(ii)	Referred s 26(1)(b)(iii)	Total
During the entire 2020–21 year				
ACIC	0	0	1	1
AFP	0	0	22	22
AUSTRAC	0	0	0	0
Home Affairs	0	1	64	65
DAWE	0	0	1	1
Sub-total	0	1	88	89
Since 1 January 2021				
ACCC	0	0	0	0
APRA	0	0	0	0
ASIC	0	0	1	1
ATO	0	0	0	0
Sub-total	0	0	1	1
Total matters referred	0	1	89	90

This is a reduction in the number of investigations referred to LEIC Act agencies in 2020–21 when compared to the prior year (see Figure 10).

Figure 10: LEIC Act agencies investigations commenced – 5-year comparison



In 2020–21, the Integrity Commissioner or her delegate decided to take no further action under the LEIC Act for 201 matters on the basis that the corruption issue is or will be investigated by a law enforcement agency. This compares to 19 matters in the prior year (refer Table 26 of Appendix 3—Statistical reporting). These matters were returned to the relevant LEIC Act agency for investigation under other provisions, including Code of Conduct investigations under the *Public Service Act 1999* or AFP conduct issues under the *Australian Federal Police Act 1979*.

ACLEI has been working throughout 2020–21 to better understand agency resourcing and capacity so that this can be taken into account when the Integrity Commissioner or her delegate decides how matters should be dealt with, as required by s 27 of the LEIC Act. From matters received in 2020–21, ACLEI commenced 27 joint investigations with agencies compared to 15 in the prior year (refer Table 23 of Appendix 3—Statistical reporting).

Performance measure 3.2

Measure	Target	Result
Number of investigations by partner agencies finalised and report provided under s 66 of the LEIC Act	Baseline to be established	91

In 2020–21, partner agencies completed **91** investigations and provided reports to the Integrity Commissioner under s 66 of the LEIC Act.

ACLEI has worked closely with our partner agencies to support the finalisation of their investigations and reporting.

Reports submitted under s 66 include information about the investigation, its processes and its outcomes. Outcomes might include criminal investigations or other courses of action relating to an individual, changes to systems or processes, further inquiries, or identifying other relevant issues.

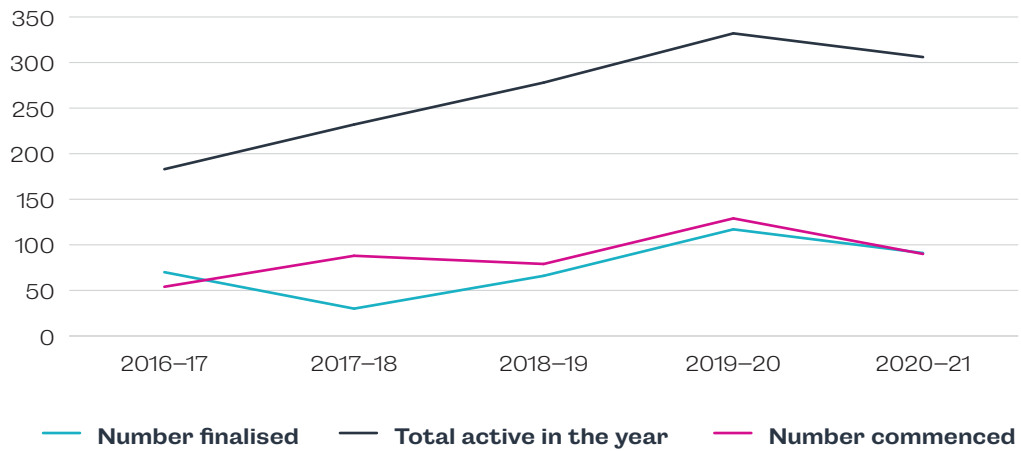
Table 15 shows the number of investigations finalised in 2020–21, by agency.

Table 15: Finalised agency investigations (s 66 report signed by agency head) in 2020–21 by agency

Agencies in ACLEI's jurisdiction	Total
During the entire 2020–21 year	
ACIC	6
AFP	43
AUSTRAC	0
Home Affairs	37
DAWE	5
Sub-total	91
Since 1 January 2021	
ACCC	0
APRA	0
ASIC	0
ATO	0
Sub-total	0
Total s 66 reports provided to the Integrity Commissioner	91

Figure 11 provides a comparison over 5 years of agency investigations commenced, active during the year, concluded and those still open at the end of each reporting period.

Figure 11: Agency investigations – 5-year comparison



In 2020-21, there were 306 corruption issues under investigation by LEIC Act agencies during the year, which was the second highest number of active investigations over the 5-year period. Since 2019-20, LEIC Act agencies have been able to increase the number concluded during the year, resulting in the lowest number of open investigations at 30 June 2021 since 2016-17.

In coming years, we will continue to work with the agencies within our jurisdiction to ensure that they have the capacity to undertake the investigations referred back to them under the LEIC Act, and that both ACLEI and our agencies have visibility of the progress of the investigations being undertaken.

Performance measure 3.3

Measure	Target	Result
Average duration of finalised investigations by partner agencies	Baseline to be established	862 days

The average duration of finalised agency investigations was **862 days**.

As part of our oversight of the investigation of corruption issues either by ACLEI or our partner agencies, we have a responsibility to ensure that investigations are being carried out in a timely manner. Along with our engagement with partner agencies, through s 66 reports and other mechanisms, this measure will help us to understand the variables and pressures faced by different agencies and investigations.

We have put in place processes to ensure that we maintain regular contact with the agencies on the status of their investigations, to assess progress and discuss any key issues that may be arising. We will continue to regularly engage with agencies on their investigations to support those investigations as necessary.

Regardless of the length of time taken to finalise investigations and report that to ACLEI, agencies assess the risk posed from the alleged misconduct and take steps to mitigate those risks. This may include Code of Conduct action being commenced; the redirection of staff against whom allegations are made to other roles; and/or the standing down of staff pending the outcome of investigations.

Performance measure 3.4

Measure	Target	Result
Percentage of reviews of s 66 reports completed within 30 days	80%	97%

In 2020–21, ACLEI reviewed 106 s 66 reports. Of these, **97%** (103) were reviewed within the target timeframe of 30 days.

Once a partner agency submits its s 66 report to the Integrity Commissioner, ACLEI reviews the report to ensure it meets all requirements. The review considers whether the investigation covered relevant lines of enquiry, if relevant people were spoken to during the investigation and the outcome of the investigation. The review also considers timeliness and whether any changes have been made in the agency's systems or processes as a result of the investigation. After review, the Integrity Commissioner determines whether to make any recommendations or comments in relation to the investigation report. A very small number of reports required more than 30 days to review generally due to their complexity.

Table 16 shows the number of reviews ACLEI completed in 2020–21, by agency.

Table 16: Number of s 66 reviews completed within 30 days, by agency

	ACIC	AFP	Home Affairs	DAWE	Total
Number reviewed	6	45	47	8	106
Number completed within 30 days	6	45	45	7	103
Percentage that met benchmark	100%	100%	96%	95%	97%

Performance measure 3.5

Measure	Target	Result
Percentage of satisfaction surveys from agencies demonstrating a rating of satisfied (or better) with the quality of our contributions	70% measured through a biennial stakeholder satisfaction survey	Biennial survey will be run in 2021–22

ACLEI will run a biennial stakeholder survey in 2021–22 which will provide baseline data in relation to this measure.

Key Activity 4: Corruption prevention



Our corruption prevention performance metrics

Source of metric	2020–21 PBS p 109, ACLEI Corporate Plan 2020–24 p 8, LEIC Act para 201(a)(iv), s 14 LEIC Regulations		Results at a glance
Measures	4.1	Number of presentations provided	22
	4.2	Percentage of feedback from participants in presentations demonstrating a rating of 'satisfied' or better	92%
	4.3	Number of corruption prevention products published	3
	4.4	Trends are identified in: notifications and referrals s 66 reports received from partner agencies	Yes
	4.5	Number of submissions made to, and appearances before, parliamentary committee processes	11
	4.6	Percentage of survey responses from agencies demonstrating a rating of satisfied (or better) with the quality of our corruption prevention work	Biennial survey will be run in 2021–22
Related reporting requirements under the LEIC Act and LEIC Regulations		For investigations completed by the Integrity Commissioner—a summary of outcomes of the investigations a. any recommendations made by the Integrity Commissioner b. any action taken as a result of the investigations c. the outcomes of any disciplinary proceedings from the investigations d. a description of any which raise significant issues or developments in law enforcement e. a description of any patterns or trends of corruption in law enforcement agencies or other Commonwealth government agencies that have law enforcement functions.	See below and pages 22–25 (investigation reports under s 54 of the LEIC Act)

Overview: corruption prevention performance

In 2020–21, ACLEI delivered a range of corruption prevention presentations and publications with the primary audience being partner agencies.

We worked closely with the agencies new to our jurisdiction, before and after the 1 January 2021 commencement of our expanded jurisdiction, to ensure they fully understood our role and functions, and that we properly understood the operations of our new agencies.

ACLEI's corruption prevention team also contributes to investigation reports, providing corruption prevention observations and identifying trends and vulnerabilities. These recommendations are included in a 'glasshouse report' for internal use in ACLEI, to ensure we hold ourselves accountable to the same standards as we hold other agencies and to ensure we are managing the corruption risks we identify within other law enforcement bodies.

Case Study 3: Getting the message out about grooming

In 2020–21, ACLEI commenced work on a new corruption prevention video alerting staff within LEIC Act agencies to the risks of grooming and the impacts of corrupt conduct.

The video (which is still in production) stems from an ACLEI-led joint investigation in which a former law enforcement officer was convicted of corruption-related offences. In this case, the corrupted official had been befriended and groomed by a business owner over a number of years, until the officer ultimately felt a strong personal allegiance to the business owner and, as a result, disclosed a range of sensitive information to him. Once his wrongdoing was uncovered, he lost his job, became estranged from family and friends, was the subject of a criminal investigation and trial and now has a criminal record.

The corrupted officer's experience represents a classic case of grooming and also illustrates the personal costs of corruption. Having identified the valuable lessons illustrated by this case, ACLEI's corruption prevention team worked closely with the other agencies that were involved in the investigation and the officer in question, to develop a video recorded interview with the officer.

The video will provide law enforcement officials with a firsthand account of what grooming can look like in practice in order to help them:

- recognise the signs of grooming at an early stage
- report indicators of potential grooming or corrupt conduct as soon as they identify it
- understand the impact of corruption
- avoid engaging in corrupt conduct.

The video and supporting materials will be shared with LEIC Act agencies in 2021–22. It is hoped that this video will be the first of many similar initiatives for ACLEI going forward.

Performance measure 4.1

Measure	Target	Result
Number of presentations provided	Annual count	22

ACLEI corruption prevention officers made **22** corruption prevention presentations in 2020–21.

Audiences included: AFP protective service officer recruits; ABF staff; ACCC staff; the corruption prevention community of practice (chaired by ACLEI and made up of representatives from LEIC Act agencies); University of Melbourne students; and the Indonesian Corruption Eradication Commission.

In addition to these 22 corruption prevention presentations, ACLEI officers conducted presentations and workshops to support awareness-raising activities amongst LEIC Act agencies and the broader public service.

Performance measure 4.2

Measure	Target	Result
Percentage of feedback responses from participants in presentations, demonstrating a rating of 'satisfied' or better	80%	92%

In 2020–21, **92%** of feedback from participants in presentations demonstrated a rating of 'satisfied' or better.

Participant surveys have not been conducted systematically in the past. During the course of this year, we developed a standardised survey for participants in our corruption prevention presentations, which we will continue to use to better measure the impact of these presentations.

New questions seek to measure whether, following the presentation, participants' understanding of corruption risks and the role of ACLEI have increased, as well as their knowledge of where to report suspected corruption.

Performance measure 4.3

Measure	Target	Result
Number of corruption prevention products published	Annual count	3

In 2020–21 there were **3** corruption prevention products published.

This number is a decrease in the output of corruption prevention products, compared to 2019–20. In 2020–21, the focus of the corruption prevention team was initially redirected to supporting the process of bringing the new agencies into our jurisdiction. In the latter part of the year, attention has turned to establishing a dedicated corruption prevention section, including recruitment activity. Some corruption prevention products were delayed by travel restrictions, and, as Case Study 3 demonstrates, some innovative and complex projects continue from 2020–21 into 2021–22.

ACLEI's corruption prevention products were provided to partner agencies about specific corruption risks and potential mitigations.

A factsheet titled *Why corruption matters* was distributed to partner agencies and published with our other factsheets and corruption prevention products on the [ACLEI website](#).

The corruption prevention team also engaged with a number of inter-departmental bodies, the Attorney-General's Department and other key integrity agencies to support corruption prevention awareness and consideration.

Performance measure 4.4

Measure	Target	Result
Trends are identified in: <ul style="list-style-type: none">• notifications and referrals• s 66 reports received from partner agencies	Qualitative survey of the trend analysis undertaken	Yes

In 2020–21, ACLEI's corruption prevention team reviewed its data collection and survey methods. This work will form the basis for future trends analysis and vulnerability reporting to our partner agencies and to the public. It will also inform future internal reporting to ACLEI's Operations Board as well as prioritisation of the corruption prevention team's work.

Trend analysis has been provided in this annual report in the Overview of ACLEI section.

Information gathered in 2020–21 has also informed discussions at the corruption prevention community of practice, been provided to partner agencies and informed policy discussions with the Attorney-General's Department.

Performance measure 4.5

Measure	Target	Result
Number of submissions made to, and appearances before, parliamentary committee processes	Annual count	11

In 2020–21 ACLEI made **3** submissions to and **8** appearances before parliamentary committees.

Submissions were made to committees of the Australian Parliament and the Victorian Parliament, on COVID-19 related inquiries, and about corruption prevention and education functions of integrity agencies.

Appearances included senate estimates hearings and hearings before the Parliamentary Joint Committee on ACLEI (PJC-ACLEI).

Performance measure 4.6

Measure	Target	Result
Percentage of satisfaction survey responses from agencies demonstration a rating of satisfied (or better) with the quality of our corruption prevention work	70% measured through a biennial stakeholder satisfaction survey	Biennial survey will be run in 2021–22

ACLEI will run a biennial stakeholder survey in 2021–22 which will provide baseline data in relation to this measure.



Part Four

Corporate governance, management and accountability

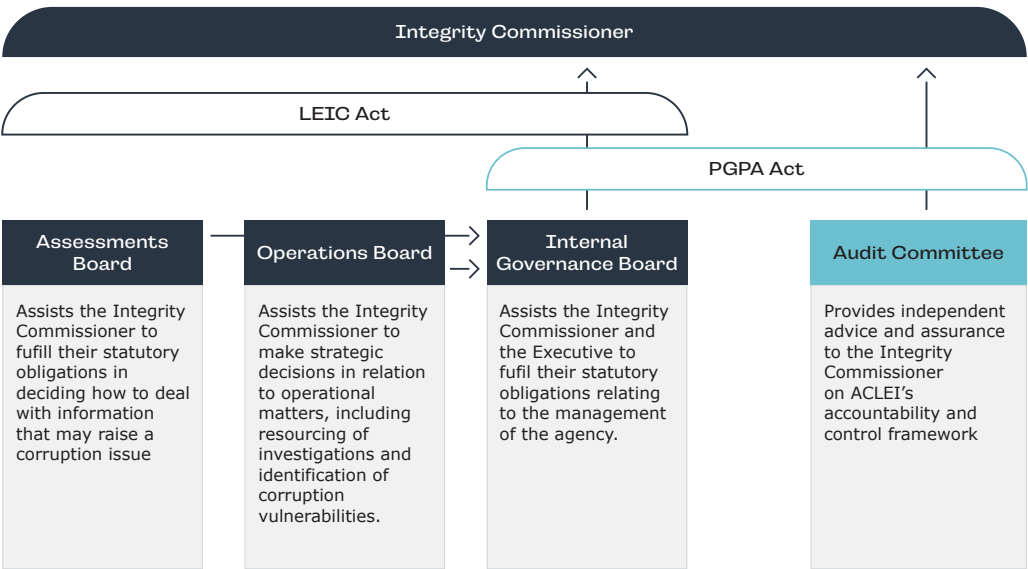
Corporate governance

Our governance architecture

The governance framework that applies to non-corporate government entities is described in the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and the *Public Governance, Performance and Accountability Rule 2014* (PGPA Rule). ACLEI's governance architecture is designed to support the Integrity Commissioner and senior executive to discharge their obligations relating to the management of the agency. During 2020–21, the Integrity Commissioner refined ACLEI's governance arrangements, including revising the terms of reference of the Internal Governance Board and establishing the Operations Board.

Figure 12 below shows ACLEI’s governance architecture in 2020–21.

Figure 12: ACLEI’s governance architecture



Audit Committee

The ACLEI Audit Committee is established in accordance with s 45 of the PGPA Act and s 17 of the PGPA Rule. The Audit Committee’s Charter can be found at www.aclei.gov.au/about/corporate-information.

In 2020–21, the Audit Committee met 4 times.

During 2020–21, the Committee membership, their attendance at meetings, and their skills, knowledge and experience were as outlined in Table 17.

Table 17: Audit committee membership

Audit Committee Member	Relevant qualifications, skills and experience	Meetings attended	Period of membership	Remuneration
Current Members				
Ms Angela Diamond Chair Independent Member	Chief Financial Officer, Services Australia Bachelor of Commerce Certified Practicing Accountant Oxford Advanced Management and Leadership Programme	3 September 2020 17 September 2020 3 December 2020 26 March 2021	7 December 2018 to present	Nil
Mr John Lenarduzzi Independent Member	National Director, MSS Operations, CyberCX Formerly Assistant Director-General, Australian Signals Directorate Masters of Business Administration	3 September 2020 17 September 2020 3 December 2020 26 March 2021	23 June 2017 to present	\$4,000 per meeting (GST exc.) from the 26 March 2021 meeting Total remuneration 2020–21 \$4,000 Nil for prior meetings
Ms Myra Croke PSM Independent Member	Formerly Chief Operation Officer, Department of Parliamentary Services and Acting First Assistant Secretary, Ministerial Support Division, Department of the Prime Minister and Cabinet	26 March 2021	22 February 2021 to present	\$4,000 per meeting (GST exc.) Total remuneration 2020–21 \$4,000
Ms Lucinda Atkinson	Executive Director, Corporate Services and Governance, ACLEI Bachelor of Laws Bachelor of Arts (Political Science)	3 September 2020 17 September 2020 3 December 2020 26 March 2021	18 May 2020 to 30 June 2021	Nil
Former members				
Ms Petra Gartmann Independent Member	Assistant Secretary, Independent Parliamentary Expenses Authority Bachelor of Laws Bachelor of Arts (Political Science)	3 September 2020 17 September 2020	3 March 2017 to January 2021	Nil

Internal audit

ACLEI's internal audit program is developed in consultation with the Audit Committee to focus on key risks to achieving our objectives. The program is signed off by the Internal Governance Board and administered by the Director, Governance and Engagement.

In 2020–21 ACLEI finalised 2 internal audits, which considered:

- ACLEI's security risks and management
- fraud and corruption risks and management.

ACLEI initiated 2 internal audits, looking into the agency's management of:

- data loss risk and management
- *Telecommunications (Interception and Access) Act 1979* (TIA Act) record-keeping requirements.

In consultation with the Audit Committee, we are in the process of strengthening our internal audit program to respond to our changing risk profile as we expand.

Integrity and professional standards

As an agency charged with overseeing the integrity of others, it is essential that our employees conduct themselves with the highest standards of professionalism, ethics and integrity at all times. To support employees to uphold high standards of integrity and professionalism, ACLEI has in place a comprehensive integrity policy framework, which applies to all of our staff members, including secondees from other agencies and the Integrity Commissioner (see Figure 13). This framework is intended to support a workplace in which professional standards and accountability are valued and reinforced. Policies contained within the framework detail employee obligations and associated reporting requirements. All employees are provided with a range of training both on commencement and annually to ensure a sound understanding of this framework and the policies and practices contained within it.

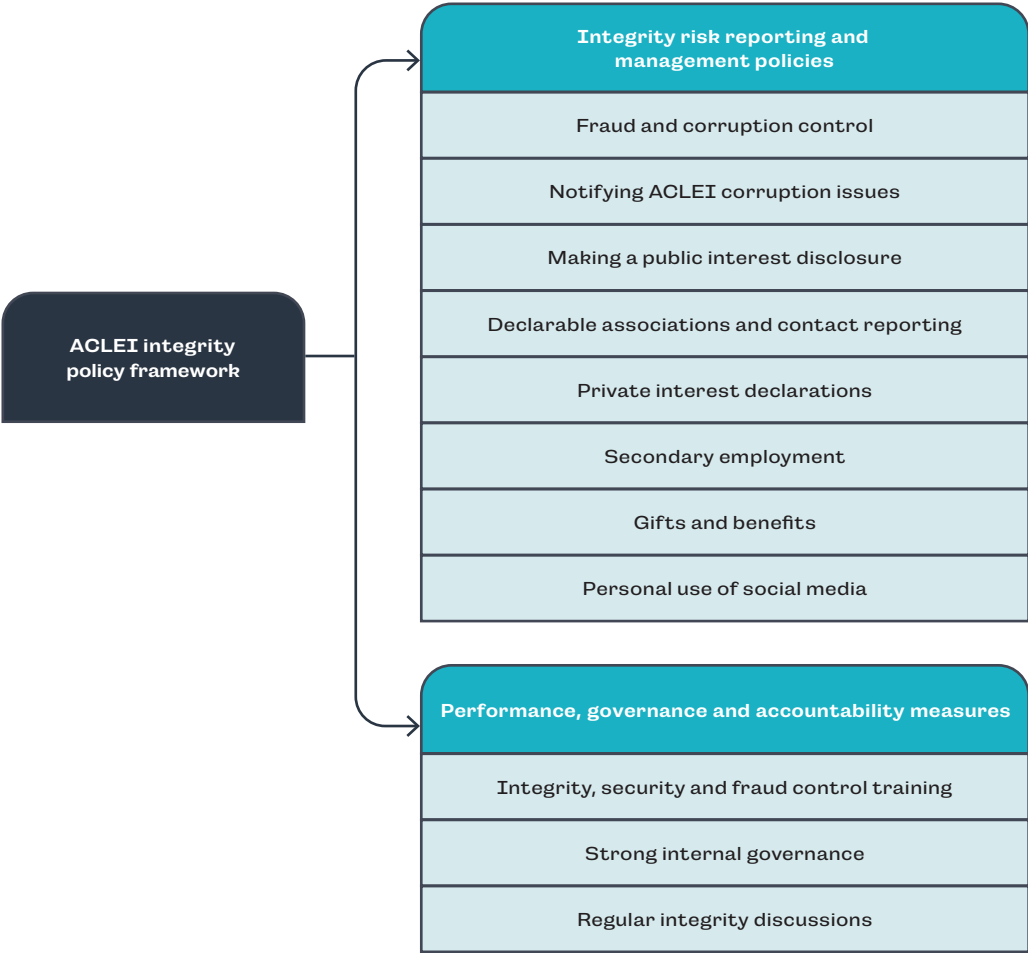
During 2020–21 ACLEI commenced a process to review and update the integrity framework. A key part of the work included reviewing ACLEI's *Fraud and Corruption Risk Register* to identify key risks and ensure appropriate controls are in place to manage these risks. To validate the effectiveness of established controls and implementation of treatments a *Fraud and Control Assurance Plan* was developed.

The Integrity Commissioner's certification relating to ACLEI's fraud control arrangements appears in the letter of transmittal on [page iv](#) of this annual report.

ACLEI also reviewed and revised its *Declarable Associations and Contact Reporting* policy.

It is expected the remainder of the integrity framework review will be finalised in early 2021–22. The current integrity framework is shown in Figure 13 below.

Figure 13: ACLEI’s integrity framework.



External assurance

Parliamentary Joint Committee on ACLEI

The Parliamentary Joint Committee on ACLEI (PJC-ACLEI) is established under the LEIC Act and reports to both Houses of Parliament on matters relating to ACLEI. The Committee monitors and reviews the performance of the Integrity Commissioner's functions, examines each annual report and any special reports produced by the Integrity Commissioner and examines trends and changes in law enforcement-related corruption.

This external scrutiny provides us with a valuable external view of each year's efforts and achievements and a basis to inform improvements to our work.

During the year, the Integrity Commissioner and other staff appeared 3 times before the Committee in public and private hearings.

Examination of the Integrity Commissioner's 2019–20 annual report

On 19 March 2021, the PJC-ACLEI held its public hearing into the Integrity Commissioner's 2019–20 annual report. During the hearing, Committee members asked questions about performance metrics and data collection, funding and preparation for the establishment of the Commonwealth Integrity Commission. Members also asked for information about how ACLEI was managing the expansion of its jurisdiction to include the ACCC, APRA, ASIC and ATO.

The Committee delivered its report in August 2021. The Committee made no recommendations, but commented on ACLEI's performance measures and targets for assessments. The PJC-ACLEI commended ACLEI's stretch targets, but cautioned that targets should be realistic and suggested ACLEI continues to monitor.

Inquiry into the integrity of Australia's border arrangements

On 11 September 2020, the Integrity Commissioner and ACLEI staff appeared at the PJC-ACLEI's public hearing for its inquiry into the Integrity of Australia's Border Arrangements. On 8 December 2020, the PJC-ACLEI tabled its report on inquiry, with 6 recommendations for the Australian Government.

Safeguards for ACLEI's use of statutory powers

A range of checks and balances are in place to ensure that we use our investigation powers accountably and within the law. Some safeguards are administered by the Integrity Commissioner as head of ACLEI and others take the form of external authorisation, scrutiny or statutory reporting requirements. In combination, these processes ensure that we use investigation powers lawfully and proportionately and provide assurance to Parliament and the public.

Table 18 provides an overview of the results of external scrutiny in 2020–21 of our use of statutory powers.

Table 18: Scrutiny of our use of statutory powers in 2020–21

Description	Outcomes for 2020–21
Commonwealth Ombudsman—inspection of records and practices <ul style="list-style-type: none"> • <i>Surveillance Devices Act 2004</i> • <i>Telecommunications (Interception and Access) Act 1979</i> • Part IAB of the <i>Crimes Act 1914</i> (controlled operations) 	<p>The Commonwealth Ombudsman conducted routine inspections under the TIA Act and the SD Act during the period.</p> <p>No compliance or administrative issues were identified in 2020–21.</p> <p>During 2020–21, ACLEI continued to review our processes and procedures to ensure compliance, transparency and accountability.</p>
Commonwealth Ombudsman—complaints and own-motion investigations	<p>The Ombudsman did not make any other reports on the operations of ACLEI during the reporting period.</p>
Integrity Commissioner's annual reports on significant powers <ul style="list-style-type: none"> • <i>Surveillance Devices Act 2004</i> • <i>Telecommunications (Interception and Access) Act 1979</i> • Part IAB of the <i>Crimes Act 1914</i> (assumed identities) • Part IACA of the <i>Crimes Act</i> (witness identity protection certificates) 	<p>The Integrity Commissioner's annual reports on ACLEI's use of assumed identities and witness identity protection certificates during 2020–21 are at Appendices 1 and 2 respectively.</p> <p>The Integrity Commissioner also reports annually (and in the case of controlled operations every 6 months) to the Minister for Home Affairs and the Commonwealth Ombudsman.</p> <p>ACLEI's annual report for controlled operations is tabled by the Minister for Home Affairs. Information from ACLEI's annual reports under the TIA and SD Acts are included in an annual report prepared by Home Affairs.</p>

Auditor-General

The Auditor-General did not undertake any performance audits relating to ACLEI during the reporting period. ACLEI's audited financial statements for 2020–21 are presented in Part Five of this annual report.

Other external assurance

There was no judicial or administrative tribunal review of an ACLEI decision or action in the reporting period.

We did not receive any reports by the Information Commissioner in the reporting period.

Judicial decisions relating to the actions of other agencies may have an impact on ACLEI's operations. Appendix 5—Developments in ACLEI's operating environment details cases during 2020–21 that have relevance for ACLEI.

Human resource management

Staffing profile and remuneration

For 2020–21 we had a target average staffing level (ASL) of 89, with our actual ASL being 53. This shortfall was due in part to the timing of the October 2020 Federal Budget, the speed at which we have been able to undertake the recruitment activity required and ACLEI undertaking a range of workforce design and development activities to ensure that our new staffing structure and workforce profile are fit for purpose to support our expanded jurisdiction.

The recruitment campaign for the expanded agency commenced in November 2020 and has so far included 23 recruitment processes, with additional employees being on-boarded across all areas of the agency. The campaign will continue in 2021–22 with bulk recruitment processes underway to recruit specialist investigators, intelligence analysts and lawyers. To supplement this campaign we actively sought secondment arrangements with key agencies to support specific activities.

At 30 June 2021, ACLEI had a headcount of 74 staff including the Integrity Commissioner, ongoing, non-ongoing, casual and seconded staff.

One staff member identified as Aboriginal or Torres Strait Islander in 2020–21 and 2019–20. No employees identified as being of indeterminate gender.

Figure 14 and Table 19 provide an overview of ACLEI’s staffing profile in 2021–22 compared to the last reporting period.

Further detailed staffing statistics are at [Appendix 6—Staffing information](#).

Figure 14: ACLEI staffing profile 2020–21 (and 2019–20)

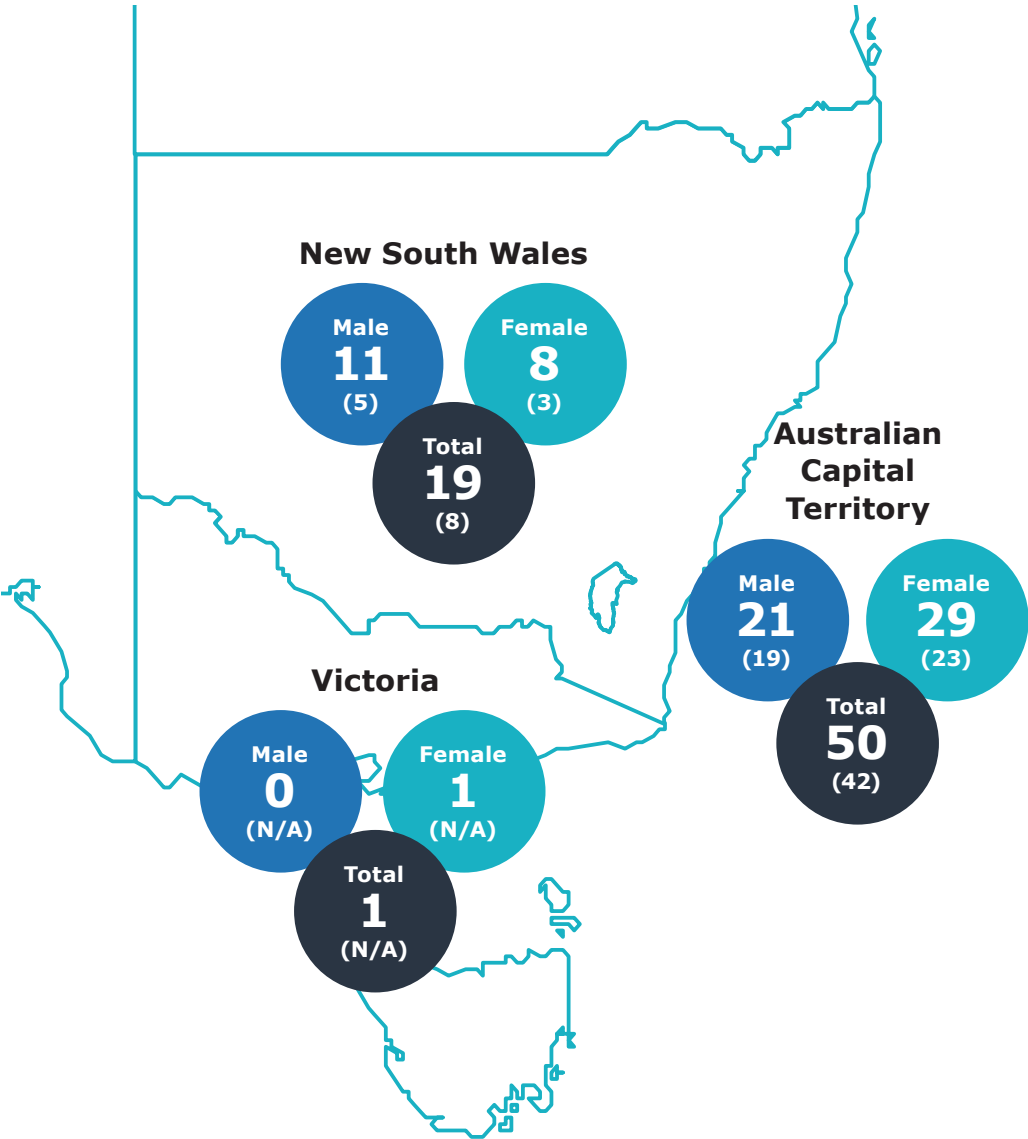


Table 19: Overview of ACLEI's staffing profile at 30 June 2021 and 30 June 2020

Category	At 30 June 2021			At 30 June 2020		
APS classification (salary range 2020–21)	Ongoing	Non-ongoing	Total	Ongoing	Non-ongoing	Total
APS classification						
APS 4 (\$66,694–\$72,418)	3	2	5	1	4	5
APS 5 (\$74,392–\$78,883)	6	3	9	2	1	3
APS 6 (\$80,343–\$92,295)	11	0	11	9	0	9
Executive Level 1 (\$102,477–\$134,535)	27	0	27	17	4	21
Executive Level 2 (\$125,980–\$158,000)	14	0	14	6	1	7
SES Band 1 (\$200,904–\$221,548)	3	0	3	4	0	4
Integrity Commissioner (statutory appointment)	0	1	1	1	0	1
Total	64	6	70	40	10	50

Workplace agreements and conditions during 2020–21

Table 20: ACLEI workplace agreements and conditions (2020–21)

Title	Description
Integrity Commissioner remuneration	The salary and allowances of the Integrity Commissioner are determined by the Remuneration Tribunal (see www.remtribunal.gov.au).
Senior Executive Service (SES) remuneration and agreements	The Integrity Commissioner determines remuneration for SES positions in ACLEI under subs 24(1) of the <i>Public Service Act 1999</i> taking into account experience and qualifications and comparisons with other agencies.
Non-SES workplace agreements	<p>The conditions of the <i>ACLEI Enterprise Agreement 2017–2020</i> and the <i>Australian Commission for Law Enforcement Integrity Non-SES Employees) Determination 2020/1</i> were in operation during the reporting period.</p> <p>Six employees had Individual Flexibility Arrangements in place to take account of specific circumstances. All other non-SES ACLEI staff are engaged under the Enterprise Agreement.</p>
Non-salary benefits	<p>Under ACLEI’s Enterprise Agreement, ACLEI provides a range of non-salary benefits to staff:</p> <ul style="list-style-type: none"> • access to ACLEI’s Employee Assistance Program • influenza vaccinations • reimbursement for corrective optical aids • study assistance • conference and study leave • financial assistance for approved health and well-being equipment.
Performance payments	ACLEI does not have a system of performance bonus payments.
Security clearances	Employment at ACLEI is contingent upon maintaining a satisfactory security clearance.

Executive remuneration

As set out in Table 21, all ACLEI senior executives are key management personnel. ACLEI had no other highly paid staff during the period. No key management personnel received bonuses during the period.

Table 21: Information about remuneration for key management personnel

Name Position title	Short-term benefits		Post-employment benefits	Other long-term benefits		Termination benefits	Total remuneration
	Base salary ¹	Other benefits and allowances ²	Superannuation contributions	Long service leave ³	Other long-term benefits	Termination	
Jaala Hinchcliffe <i>Integrity Commissioner</i>	425,257	4,590	62,235	10,203	–	–	502,285
Craig Furry <i>Executive Director Secretariat</i> (1 July 2020 to 26 February 2021)	8,996	–	25,996	3,484	–	181,182	219,658
Lucinda Atkinson <i>Executive Director Corporate Services and Governance</i>	225,566	4,590	41,494	5,463	–	–	277,113
Sarah Marshall <i>Executive Director Operations</i> (1 July 2020 to 11 December 2020)	97,843	–	16,851	28,799	–	–	143,493
Judy Lind <i>Executive Director Operations (Northern)</i> (1 February 2021 to 30 June 2021)	97,105	1,913	14,127	2,245	–	–	115,389
Pete Ratcliffe <i>Executive Director Operations (Southern)</i> (22 February 2021 to 30 June 2021)	84,174	1,626	12,165	1,931	–	–	99,895

- 1 Base salary includes leave taken and the movement in annual leave provision—i.e. four weeks accrued annual leave less annual leave taken.
- 2 Other benefits and allowances includes expenses and associated fringe benefits tax expense—e.g. provision of car parking as part of remuneration package.
- 3 Long service leave represents the movement in long service leave provision—i.e. nine days accrued per annum less long service leave taken.

Staff performance and development

ACLEI needs a multi-disciplinary and flexible workforce to enable the agency to effectively deliver its outcome. Our staff have a range of core skills in investigation management, intelligence collection and analysis, technical surveillance monitoring, legal counsel, corruption prevention and corporate management.

ACLEI's Program for Personal Performance links individual roles and development goals with organisational needs and provides the mechanism for supervisors to manage staff performance. During 2020–21 ACLEI developed its program of mandatory training for all staff including a range of corporate compliance modules. In addition, we offered tailored training on cultural diversity, Lean methodology and 'accidental counsellor' training to provide employees with additional skills when engaging directly with members of the public. ACLEI also introduced a suite of lunchtime speaker seminars, covering a range of contemporary topics.

Our employees participated in a range of professional development opportunities tailored to their individual development needs. This included specific tertiary education opportunities including a Graduate Certificate in Fraud and Financial Crime, Certificate in Government Investigations, and expanding current qualifications in law. Members of the ACLEI legal section attended joint training sessions delivered by the Australian Government Solicitor and designed for Australian Government oversight agencies (ACLEI, the Inspector-General of Intelligence and Security, and the Commonwealth Ombudsman) on administrative law, advice writing, public interest disclosures and statutory interpretation.

Workplace health and safety

We are committed to the health and safety of our employees, contractors and visitors. We are bound by the employer responsibilities in the *Work Health and Safety Act 2011*, the *Safety Rehabilitation and Compensation Act 1988* and relevant anti-discrimination legislation.

Additional workplace health and safety (WHS) measures were continued during 2020–21 in response to the COVID-19 pandemic. ACLEI continued to monitor and advise employees of the evolving conditions presented by the pandemic to put the safety of our staff at the forefront. Our actions were informed by the advice of the Australian Health Protection Principal Committee and the federal and state governments. Working from home arrangements were implemented as required and we maintained a flexible approach to working locations and hours to ensure employee safety.

During 2020–21, our *Work health and safety management policy* was updated. As part of this a WHS Committee was established to encourage a consultative and participatory approach to staff wellbeing. We ran workshops focused on supporting our employees to build their resilience, providing them an opportunity to strengthen their skills to respond effectively to the multitude of changes and challenges that we are faced with work and personal lives.

The agency's *Prevention of bullying and harassment in the workplace policy* was updated and we established a Harassment Contact Officer network. These trained officers work within the agency to provide information and support to staff and managers.

Throughout 2020–21, ACLEI maintained a range of other WHS initiatives, including:

- providing staff and their immediate families with access to our Employee Assistance Program
- providing staff with access to a suite of health and wellbeing webinars
- undertaking ergonomic workstation assessments for new staff
- paying for influenza vaccinations
- reimbursing staff for corrective optical aids
- providing financial assistance for approved health and wellbeing equipment.

Risk assessments are undertaken for all ACLEI investigations and prior to the exercise of powers. These assessments allow us to actively identify risks to our staff, witnesses and others and to mitigate these risks.

There were no WHS incidents reported during 2020–21.

Disability reporting

The National Disability Strategy is Australia’s overarching framework for disability reform. It acts to ensure the principles underpinning the United Nations Convention on the Rights of Persons with Disabilities are incorporated into Australia’s policies and programs that affect people with disability, their families and carers.

All levels of government will continue to be held accountable for the implementation of the strategy through progress reporting to the Australian, state, territory and local governments. Progress reports can be found at dss.gov.au. Disability reporting is included the Australian Public Service Commission’s (APSC) State of the Service reports and the APS Statistical Bulletin. These reports are available at www.apsc.gov.au.

Purchasing

The Commonwealth Procurement Rules, the Integrity Commissioner's Accountable Authority Instructions, the PGPA Act and PGPA Rule provide the framework for ACLEI's decisions concerning the purchase of goods and services.

ACLEI's purchasing framework seeks to ensure:

- procurement methods are efficient and cost-effective and take account of ACLEI's security needs, specialised role and size
- value for money is always the primary guiding principle
- participation in mandatory whole-of-government coordinated procurement, such as travel and property services
- support for Small and Medium Enterprise (SME) participation
- use of the Commonwealth Contracting Suite for low-risk procurements valued under \$200,000
- timely payment to suppliers including through the use of payment cards when possible and appropriate,
- compliance with the requirements of the Indigenous Procurement Policy.

Australian National Audit Office access clauses

ACLEI's use of the Commonwealth Contracting Suite ensures that all contracts for low-risk procurements valued under \$200,000 include provisions allowing the Auditor-General to have access to contractor premises. In addition, no contracts over \$200,000 were let that did not include the Australian National Audit Office access clauses.

Exempt contracts

During 2020–21, no ACLEI contracts or standing offers were exempted from publication in AusTender on the basis that publication would disclose exempt matters under the *Freedom of Information Act 1982* (FOI Act).

Consultants

During 2020–21, 10 new consultancy contracts were entered into involving total actual expenditure in 2020–21 of \$216,131.16 (including GST). In addition, 3 ongoing consultancy contracts were active during the period, involving total actual expenditure of \$16,277.80 (including GST).

The decision to engage a consultant is made in accordance with the PGPA Act and PGPA Rule, the Commonwealth Procurement Rules and relevant internal policies, including the Integrity Commissioner’s Accountable Authority Instructions.

Consultants are engaged to investigate or diagnose a defined issue or problem, carry out defined reviews or evaluations (such as internal audits), or provide independent advice or information to assist in ACLEI’s decision-making.

When deciding to engage a consultant, ACLEI requires decision makers to take into account the abilities and resources required for the task, the skills available internally, and the cost-effectiveness of engaging external expertise.

Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website, www.tenders.gov.au.

Addendum to the Australian Commission for Law Enforcement Integrity Annual Report 2020–21

ACLEI supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance’s website. The ways in which ACLEI’s purchasing framework supports small business participation are outlined under Purchasing on page 95. The effect of these practices can be readily observed in relation to our engagement of consultants. Four of ACLEI’s top 5 reportable consultancy contracts in 2020–21 were with SMEs.

Table 21a shows ACLEI’s top 5 consultancies (by value of expenditure) during 2020–21.

Table 21a: Organisations receiving a share of reportable consultancy contract expenditure (2020–21)

Organisations receiving a share of reportable consultancy contract expenditure 2020–21	Expenditure (\$)	Proportion of 2020–21 total spend (%)
Fyusion Asia Pacific Pty Ltd (ABN: 82 107 777 551)	\$68,585.00	29.5%
Doing Business Better Pty Ltd (ABN: 89 141 010 522)	\$31,597.76	13.6%
Axiom Associates (Aust) Pty Ltd (ABN: 97 604 318 569)	\$26,812.50	11.5%
GHD Pty Ltd (ABN: 39 008 488 373)	\$24,127.00	10.4%
Christopher Ronald Constable (ABN: 48 634 197 554)	\$23,100.00	9.9%
Total of Largest Shares	\$174,222.66	75%

Non-consultancy contracts

During 2020–21, ACLEI entered 13 new non-consultancy contracts involving total actual expenditure in 2020–21 of \$229,097 (including GST). In addition, 10 ongoing non-consultancy contracts were active during the period, involving actual expenditure of \$756,094 (including GST).

Table 21b shows ACLEI's top 5 non-consultancy contracts (by value of expenditure) during 2020–21.

Table 21b: Organisations receiving a share of reportable non-consultancy contract expenditure (2020–21)

Organisations receiving a share of reportable non-consultancy contract expenditure 2020–21	Expenditure (\$)	Proportion of 2020–21 total spend (%)
GPT Funds Management Pty Ltd (ABN: 29 116 099 631)	\$831,135	41.9%
The Trust Company (Australia) Limited (ABN: 21 000 000 993)	\$508,843	25.6%
Attorney-General's Department (ABN: 92 661 124 436)	\$273,621	13.8%
Aurion Corporation Pty Ltd (ABN: 63 050 431 868)	\$52,740	2.7%
KPMG (ABN: 51 194 660 183)	\$44,000	2.7%
Total of Largest Shares	\$1,710,338	86.2%

Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of non-consultancy contracts is available on the AusTender website, www.tenders.gov.au.

Management of other corporate issues

Information and communications technology

ACLEI has a shared service arrangement with the Attorney-General's Department relating to ACLEI's information, communication and technology and records management requirements.

Environmental performance

ACLEI endeavours to recycle, reduce energy consumption and promote sustainability. Energy-saving technologies (such as motion-sensor lights, on-demand printing and teleconferencing facilities) are incorporated into ACLEI's business practices.

Advertising campaigns

ACLEI did not conduct any advertising campaigns in 2020–21.

Freedom of information—Part II of the *Freedom of Information Act 1982*

Entities subject to the FOI Act are required to publish information to the public as part of the Information Publication Scheme (IPS). This requirement is in Part II of the FOI Act and has replaced the former requirement to publish a s 8 statement in an annual report. Each agency must display on its website a plan showing what information it publishes in accordance with the IPS requirements.

ACLEI's IPS can be accessed at www.aclei.gov.au/about/corporate-information/freedom-information.



Part Five

Financial statements



INDEPENDENT AUDITOR'S REPORT

To the Attorney-General

Opinion

In my opinion, the financial statements of the Australian Commission for Law Enforcement Integrity ('the Entity') for the year ended 30 June 2021:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2021 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2021 and for the year then ended:

- Statement by the Integrity Commissioner and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to the financial statements, comprising a summary of significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Integrity Commissioner is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Reduced Disclosure Requirements and the rules made under the Act. The Integrity Commissioner is also responsible for such internal control as the Integrity Commissioner determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

GPO Box 707, Canberra ACT 2601
38 Sydney Avenue, Forrest ACT 2603
Phone (02) 6203 7300

In preparing the financial statements, the Integrity Commissioner is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Integrity Commissioner is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office

S Bond.

Sally Bond

Executive Director

Delegate of the Auditor-General

Canberra

20 September 2021

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STATEMENT BY THE INTEGRITY COMMISSIONER AND CHIEF FINANCIAL OFFICER

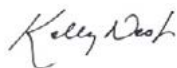
In our opinion, the attached financial statements for the year ended 30 June 2021 comply with subsection 42(2) of the Public Governance, Performance and Accountability Act 2013 (PGPA Act), and are based on properly maintained financial records per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Australian Commission for Law Enforcement Integrity will be able to pay its debts as and when they fall due.



Jaala Hinchcliffe
Integrity Commissioner

Date: 20 September 2021



Kelly West
Chief Financial Officer

Date: 20 September 2021

STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000	Original Budget \$'000
NET COST OF SERVICE				
Expenses				
Employee benefits	1.1A	8,413	6,321	12,077
Suppliers	1.1B	2,037	3,432	7,453
Depreciation and amortisation	2.2A	1,987	1,235	1,747
Finance costs	1.1C	63	33	141
Write-down and impairment of other assets	2.2A	12	113	-
Total expenses		12,512	11,134	21,418
Own-Source Revenue				
Revenue from rendering of services	1.2A	733	292	733
Other revenue	1.2B	65	65	65
Total own-source revenue		798	357	798
Net cost of services		(11,714)	(10,777)	(20,620)
Revenue from Government	1.2C	19,844	13,369	19,844
Surplus/(Deficit)		8,130	2,592	(776)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation reserve		(47)	(377)	-
Total other comprehensive income		(47)	(377)	-
Total comprehensive income/(loss)		8,083	2,215	(776)

The above statement should be read in conjunction with the accompanying notes.

Budget variance commentary

Employee Benefits

Employee expenses are lower than budgeted primarily due to Average Staffing Level (ASL) achievement at year end of 53 as compared to the PBS ASL figure of 89 per the expansion of ACLEI's jurisdiction from 1 January 2021. The variance reflects the timing of the announcement of ACLEI's jurisdictional expansion in the October 2020 federal budget, with recruitment and other processes commencing after that announcement, but yet to be completed.

Supplier Expenses

The variance reflects the impact of delayed recruitment as well as the impact of COVID-19, both of which impacted anticipated operational activities resulting in lower travel and surveillance costs, along with lower than budgeted expenditure on professional services and training and development.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	Notes	2021 \$'000	2020 \$'000	Original Budget \$'000
ASSETS				
Financial assets				
Cash and cash equivalents		62	62	62
Trade and other receivables	2.1A	21,290	9,614	9,580
Total financial assets		21,352	9,676	9,642
Non-financial assets				
Leasehold Improvements	2.2A	2,572	2,956	9,810
Right-of-use asset	2.2A	6,222	7,011	-
Plant and equipment	2.2A	897	970	1,483
Computer software	2.2A	-	-	957
Other non-financial assets	2.2B	223	160	184
Total Non-financial assets		9,914	11,097	12,301
Total assets		31,266	20,773	21,943
LIABILITIES				
Payables				
Suppliers	2.3A	323	154	156
Other payables	2.3B	253	148	266
Total Payables		576	302	422
Interest bearing liabilities				
Leases	2.4A	6,507	7,181	7,442
Total interest-bearing liabilities		6,507	7,181	7,442
Provisions				
Employee provisions	4.1A	2,581	1,838	1,838
Other provisions	2.5A	454	215	220
Total provisions		3,035	2,053	2,058
Total liabilities		10,118	9,536	9,922
Net assets		21,148	11,237	12,021
EQUITY				
Contributed equity		7,206	5,378	7,206
Reserves		832	879	880
Retained surplus		13,110	4,980	3,935
Total equity		21,148	11,237	12,021

The above statement should be read in conjunction with the accompanying notes.

Budget variance commentary

Trade and other receivables

The variance is primarily due to unspent appropriations under ACLEI's jurisdictional expansion measure. Refer to Note 3.1B Unspent annual appropriations which provides further details.

Non-financial assets

The variance relates to:

- the implementation of AASB 16 Leases creating Right of Use (RoU) assets in 2019-20, which were only mapped to Leasehold improvements in the PBS
- significant computer software acquisitions that were not completed as planned, including an upgrade to the agency's case management system, that is now planned for 2021-22, and
- flow-on effects resulting from delays in acquiring an additional Canberra lease to facilitate the expanded jurisdiction such as initial work on the fit out for that lease

Employee provisions

The 2020-21 PBS Budget reflects the actual 2019-20 employee leave provision amount and did not account for the increase in ASL under ACLEI's jurisdictional expansion measure in 2020-21.

STATEMENT OF CHANGES IN EQUITY

For the period ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000	Original Budget \$'000
CONTRIBUTED EQUITY				
Opening balance				
Balance carried forward from previous period		5,378	4,255	5,378
Adjusted opening balance		5,378	4,255	5,378
Contributions by owners				
Equity injection – Appropriation (Bill 2)		1,497	792	1,497
Departmental capital budget		331	331	331
Total contributions by owners		1,828	1,123	1,828
Closing balance as at 30 June 2021		7,206	5,378	7,206
RETAINED EARNINGS				
Opening balance				
Balance carried forward from previous period		4,980	2,120	4,711
Adjustment for errors		-	1	-
Adjustment on initial application of AASB 16		-	267	-
Adjusted opening balance		4,980	2,388	4,711
Comprehensive income				
Surplus/(Deficit) for the period		8,130	2,592	(776)
Total comprehensive income		8,130	2,592	(776)
Closing balance as at 30 June 2021		13,110	4,980	3,935
ASSET REVALUATION RESERVE				
Opening balance				
Balance carried forward from previous period		879	1,256	880
Adjusted opening balance		879	1,256	880
Comprehensive income				
Changes in asset revaluation		155	(455)	-
Changes in makegood provision revaluation		(202)	78	-
Total comprehensive income		(47)	(377)	-
Closing balance as at 30 June 2021		832	879	880
TOTAL EQUITY				
Opening balance				
Balance carried forward from previous period		11,237	7,632	10,969
Adjustment on initial application of AASB 16		-	267	-
Adjusted opening balance		11,237	7,899	10,969
Comprehensive income				
Surplus/(Deficit) for the period		8,130	2,592	(776)
Other comprehensive income		(47)	(377)	-
Total comprehensive income		8,083	2,215	(776)
Contributions by owners				
Equity injection – Appropriation (Bill 2)		1,497	792	1,497
Departmental capital budget		331	331	331
Total contributions by owners		1,828	1,123	1,828
Closing balance as at 30 June 2021		21,148	11,237	12,021

The above statement should be read in conjunction with the accompanying notes.

ACCOUNTING POLICY

Equity injections

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) and Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year.

Budget variance commentary

Any related budget variances commentary is included in the other Primary Statements.

CASH FLOW STATEMENT

For the period ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000	Original Budget '000
OPERATING ACTIVITIES				
Cash Received				
Appropriations		11,737	11,037	19,844
Sale of goods and rendering of services		733	292	733
GST received		204	288	-
Other		889	247	-
Total cash received		13,563	11,864	20,577
Cash used				
Employees		(8,456)	(6,575)	(12,077)
Suppliers		(1,990)	(3,616)	(7,393)
GST paid		(291)	(333)	-
Interest payments on lease liability		(26)	(29)	(136)
Section 74 receipts transferred to Official Public Account		(1,622)	(247)	-
Total cash used		(12,385)	(10,800)	(19,606)
Net cash from/(used by) operating activities		1,178	1,064	971
INVESTING ACTIVITIES				
Cash used				
Purchase of property, plant and equipment		(124)	(55)	(1,828)
Total cash used		(124)	(55)	(1,828)
Net cash from/(used by) investing activities		(124)	(55)	(1,828)
FINANCING ACTIVITIES				
Cash received				
Contributed equity		94	55	1,828
Total cash received		94	55	1,828
Cash used				
Principal payments of lease liability		(1,148)	(1,064)	(971)
Total cash used		(1,148)	(1,064)	971
Net cash from/(used by) financing activities		(1,054)	(1,009)	857
Net increase in cash and cash equivalents		-	-	-
Cash and cash equivalents at the beginning of the reporting period		62	62	62
Cash and cash equivalents at the end of the reporting period		62	62	62

The above statement should be read in conjunction with the accompanying notes.

Budget variance commentary

Any related budget variances commentary is included in the other Primary Statements.

OVERVIEW

Objectives of ACLEI

ACLEI is an Australian Government controlled entity. ACLEI was established under the *Law Enforcement Integrity Commissioner Act 2006* (LEIC Act) and its purpose is to make it more difficult for corruption to occur or remain undetected in designated Australian Government law enforcement agencies.

The basis of preparation

The financial statements are general purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The financial statements have been prepared in accordance with:

- a) *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR), and
- b) Australian Accounting Standards and Interpretations - Reduced Disclosure Requirements issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Taxation

ACLEI is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Statement of financial position but are reported in the relevant note, if applicable. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed where settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

At 30 June 2021 ACLEI has no contingent liabilities or contingent assets (2020: 1 unquantifiable).

Reclassification of prior year balances

Minor changes were made to the comparatives in the financial statements as a result of reclassification or merging of some line items. Where applicable, balances for the prior year (2019-20) have been reclassified to provide consistent comparative information with that of the current year (2020-21). This includes balances relating to the Lease Liability, Statement of Cashflow and Appropriation Note disclosure.

There was no change to the comparative operating surplus or net assets reported.

Events after the reporting period

No events after the reporting period were identified.

Breach of section 83 of the Constitution

There have been no known breaches of Section 83 of the Constitution for the reporting period.

Budget variance

Budget variance commentaries in each Primary Statement provide explanations of major variances between the original budget as presented in the 2020-21 PBS to the 2020-21 final outcome as presented in accordance with Australian Accounting Standards for ACLEI. The budget is not audited.

High level explanations of the causes of the major variances (rather than the nature) have been provided. Explanations may consolidate multiple line items, including across Statements.

1. FINANCIAL PERFORMANCE

1.1 Expenses

	2021 \$'000	2020 \$'000
1.1A: EMPLOYEE BENEFITS		
Wages and salaries	6,375	4,786
Superannuation		
Defined contribution plans	654	492
Defined benefit plans	508	568
Leave and other entitlements	695	475
Termination benefits	181	-
Total employee benefits	8,413	6,321

ACCOUNTING POLICY

Accounting policies for employee related expenses are contained in the People and relationships section.

1.1B: SUPPLIERS

Goods and services supplied or rendered

Business operating expenses	297	236
Information and communication expenses	459	368
Professional and legal expenses	819	2,451
Travel and employee development	449	333
Other	4	34
Total goods and services supplied or rendered	2,028	3,422

Goods supplied

Goods supplied	1,098	138
Services rendered	930	3,284
Total goods and services supplied or rendered	2,028	3,422

Other suppliers

Workers compensation expenses	9	10
Total other suppliers	9	10
Total suppliers	2,037	3,432

ACLEI has no short-term lease commitments as at 30 June 2021.

	2021 \$'000	2020 \$'000
1.1C: FINANCE COSTS		
Interest on lease liabilities	26	29
Unwinding of discount – makegood provision	37	4
Total finance costs	63	33

The above lease disclosures should be read in conjunction with accompanying notes 2.2A and 2.4A.

ACCOUNTING POLICY

All finance costs are expensed as incurred.

1.2 Own-source revenue

	2021 \$'000	2020 \$'000
1.2A: REVENUE FROM CONTRACTS WITH CUSTOMERS		
Rendering of services	733	292
Total revenue from rendering of services	733	292

ACCOUNTING POLICY

Revenue from the rendering of services is recognised when the performance obligation with the customer is satisfied. A contract is in scope of AASB 15 if the performance obligations required by an enforceable contract are sufficiently specific to enable ACLEI to determine when they have been satisfied.

The following is a description of the principal activity from which ACLEI generates its revenue:

Section 74 revenue from other Government entities, which is not considered contractual in nature and is not subject to milestones. All customers are Australian Government entities.

Receivables for goods and services, which have 20 day terms, are recognised at their nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

1.2B: OTHER REVENUE

Resources received free of charge		
Remuneration of auditors	65	65
Total other revenue	65	65

ACCOUNTING POLICY

Resources received free of charge

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised as gains at their fair value when the asset qualifies for recognition, unless received from another Government entity as a consequence of a restructuring of administrative arrangements.

	2021 \$'000	2020 \$'000
1.2C: REVENUE FROM GOVERNMENT		
Departmental appropriations	19,844	13,369
Total revenue from Government	19,844	13,369

ACCOUNTING POLICY

Revenue from Government

Amounts appropriated for departmental appropriations for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when ACLEI gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations receivable are recognised at their nominal amounts.

2. FINANCIAL POSITION

2.1 Financial assets

	2021 \$'000	2020 \$'000
2.1A: TRADE AND OTHER RECEIVABLES		
Goods and services receivables		
Goods and services	208	122
Total goods and services receivables	208	122
Appropriation receivables		
Ordinary annual services	18,109	8,379
Equity injection – Appropriation (Bill 2)	2,289	792
Departmental Capital Budget (DCB)	514	276
Total appropriation receivables	20,912	9,447
Other receivables		
Statutory receivables – GST	132	45
Fringe benefit tax	38	-
Total other receivables	170	45
Total trade and other receivables (net)	21,290	9,614

Credit terms for goods and services were within 20 days (2020: 21 days)

ACCOUNTING POLICY

Financial assets

Trade receivables, loans and other receivables that are held for the purpose of collecting contractual cash flows where the cash flows are solely payments of principal and interest, that are not provided at below-market interest rates, are subsequently measured at amortised cost using the effective interest method adjusted for any loss allowance.

2.2 Non-financial assets

2.2A: RECONCILIATION OF THE OPENING AND CLOSING BALANCES OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLES

	Leasehold improvements \$'000	Plant and equipment \$'000	Right of use assets \$'000	Computer software \$'000	Total \$'000
As at 1 July 2020					
Gross book value	2,958	1,029	8,245	82	12,314
Accumulated depreciation, amortisation and impairment	(2)	(59)	(1,234)	(82)	(1,377)
Total as at 1 July 2020	2,956	970	7,011	-	10,937
Additions					
Purchase	-	82	-	-	82
Work in progress (not revalued)	21	21	-	-	42
Right of use	-	-	474	-	474
Revaluations and impairments recognised in other comprehensive income	132	23	-	-	155
recognised in other profit and loss	-	(12)	-	-	(12)
Depreciation and amortisation	(537)	(187)	-	-	(724)
Depreciation on RoU assets	-	-	(1,263)	-	(1,263)
Total as at 30 June 2021	2,572	897	6,222	-	9,691
Total as at 30 June 2021 represented by					
Gross book value	2,572	897	8,719	82	12,270
Accumulated depreciation, amortisation and impairment	-	-	(2,497)	(82)	(2,579)
Total as at 30 June 2021	2,572	897	6,222	-	9,691

No indications of impairment were found for property, plant and equipment and intangibles.

No property, plant and equipment and intangibles are expected to be sold or disposed of within the next 12 months.

Revaluations of non-financial assets

All revaluations were conducted in accordance with the revaluation policy stated below at Note 2.2 Non-financial assets: Accounting Policy. A comprehensive valuation of ACLEI Leasehold improvements and plant and equipment (excluding work in progress) was conducted at 30 June 2021 by an independent valuer - Jones Lang LaSalle.

ACCOUNTING POLICY

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructuring.

Asset recognition threshold

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to 'make good' provisions in property leases taken up by ACLEI where there exists an obligation to restore the property to its original condition. These costs are included in the value of ACLEI's leasehold improvements with a corresponding provision for the 'make good' recognised.

Leased right of use (RoU) assets

Leased RoU assets are capitalised at the commencement date of the lease and comprise the initial lease liability amount and initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for by Commonwealth lessees as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned.

On initial adoption of AASB 16 ACLEI has adjusted the RoU assets at the date of initial application by the amount of any provision for onerous leases recognised immediately before the date of initial application. Following initial application, an impairment review is undertaken for any right of use asset that shows indicators of impairment and an impairment loss is recognised against any right of use lease asset that is impaired. Lease RoU assets continue to be measured at cost after initial recognition in ACLEI, General Government Sector and Whole of Government financial statements.

Revaluations

Following initial recognition at cost, property, plant and equipment (excluding RoU assets) are carried at fair value (or an amount not materially different from fair value) less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets did not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depended upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to ACLEI using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

Asset class	2020-2021	2019-2020
Leasehold Improvements	Lower of useful life or lease term	Lower of useful life or lease term
Right of Use assets	Lower of useful life or lease term	Lower of useful life or lease term
Plant and Equipment	3 to 19 years	3 to 19 years
Intangibles	3 years	3 years

Impairment

All assets were assessed for impairment at 30 June 2021. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment is made of the asset's recoverable amount less its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if ACLEI were deprived of the asset, its value is taken to be its depreciated replacement cost.

Derecognition

An item of property, plant and equipment is derecognised upon disposal when no further future economic benefits are expected from its use or disposal.

Intangibles

ACLEI's intangibles comprise of purchased software. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

All software assets were assessed for indications of impairment as at 30 June 2021.

	2021 \$'000	2020 \$'000
2.2B: OTHER NON-FINANCIAL ASSETS		
Prepayments	223	160
Total other non-financial assets	223	160

No indicators of impairment were found for other non-financial assets.

2.3 Payables

	2021 \$'000	2020 \$'000
2.3A: SUPPLIERS		
Trade creditors and accruals	323	154
Total suppliers	323	154

Payment settlement terms for suppliers were within 20 days (2020: 21 days).

2.3B: OTHER PAYABLES

Salaries and wages	227	129
Superannuation	26	19
Total other payables	253	148

2.4 Interest bearing liabilities

	2021 \$'000	2020 \$'000
2.4A: INTEREST BEARING LIABILITIES		
Leases	6,507	7,181
Total interest bearing liabilities	6,507	7,181

Total cash outflow for leases for the year ended 30 June 2021 was \$1.148m (2020: \$1.064m)

Maturity analysis – contractual undiscounted cash flow

Within 1 year	1,309	1,145
Between 2 and 5 years	5,113	5,098
More than 5 years	147	1,020
Total Leases	6,569	7,263

ACLEI, in its capacity as lessee, has 3 leased office accommodation premises. Lease payments are paid on a monthly basis and subject to annual increases in accordance with the lease agreements.

The lease liability represents the present value of the remaining lease payments, discounted using the incremental borrowing rate (IBR) determined at the commencement of the lease. The IBR is the rate at which a similar borrowing could be obtained from an independent creditor under comparable terms and condition at that point in time.

The above lease disclosures should be read in conjunction with the accompanying notes 1.1C and 2.2.

ACCOUNTING POLICY

For all new contracts entered into, ACLEI considers whether the contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Once it has been determined that a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if that rate is readily determinable, or the agency's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification to the lease. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss depending on the nature of the reassessment or modification.

2.5 Other provisions

2.5A: OTHER PROVISIONS

	Provision for Restoration \$'000	Total \$'000
As at 1 July 2020	215	215
Unwinding of discount – makegood provision	37	37
Revaluation at 30 June 2021	202	202
Total as at 30 June 2021	454	454

ACLEI currently has 2 (2020:1) agreements for the leasing of premises which have provisions requiring ACLEI to restore the premises to their original condition at the conclusion of the lease. ACLEI has made a provision to reflect the present value of these obligations.

ACCOUNTING POLICY

In the process of applying accounting policies detailed in these financial statements, ACLEI has made the following judgements that have the most significant impact on the amounts recorded in this note:

- The cost of making good properties leased by ACLEI is based on estimates of completing such remedial work. In some instances, the actual cost to complete make good work may not match the estimated costs.

3. FUNDING

3.1 Appropriations

3.1A: ANNUAL APPROPRIATIONS ("RECOVERABLE GST EXCLUSIVE")

ANNUAL APPROPRIATIONS - 2021	Annual appropriation ¹ \$'000	Adjustments to appropriation \$'000	Total appropriation \$'000	Appropriation applied in 2021 (current and prior years) \$'000	Variance ² \$'000
Departmental					
Ordinary annual services	19,844	1,622	21,466	(11,737)	9,729
Departmental Capital Budget ³	331	-	331	(94)	237
Other services					
Equity Injections	1,497	-	1,497	-	1,497
Total departmental	21,672	1,622	23,294	(11,831)	11,463

¹ No amounts have been withheld under s 51 of the PGPA Act or quarantined for administrative purposes in 2020-21.

² In 2020-21 the material variance represents unspent appropriation related to the expansion of ACLEI's jurisdiction budget measure. Refer to Note 3.1B.

³ Departmental Capital Budgets are appropriated through Appropriation Acts (No.1, 3 and 5) They form part of ordinary annual services and are not separately identified in the Appropriation Acts.

ANNUAL APPROPRIATIONS - 2020	Annual Appropriation ¹ \$'000	Adjustments to Appropriation ² \$'000	Total Appropriation \$'000	Appropriation applied in 2020 (current and prior years) \$'000	Variance ³ \$'000
Departmental					
Ordinary annual services	13,369	534	13,903	(11,661)	2,242
Departmental Capital Budget ⁴	331	-	331	(55)	276
Other services					
Equity Injections	792	-	792	-	792
Total departmental	14,492	534	15,026	(11,716)	3,310

¹ No amounts were withheld under s 51 of the PGPA Act or quarantined for administrative purposes in 2019-20.

² An amount of unspent money was returned to the Confiscated Assets Account for the Visa Integrity Taskforce project funded under the *Proceeds of Crime Act 2002*.

³ In 2019-20 the material variance represented unspent appropriation primarily due to the CIC budget measure funding ACLEI received in this year. Refer to Note 3.1B.

⁴ Departmental Capital Budgets are appropriated through Appropriation Acts (No.1, 3 and 5). They form part of ordinary annual services and are not separately identified in the Appropriation Acts.

3.1B: UNSPENT ANNUAL APPROPRIATIONS (RECOVERABLE GST EXCLUSIVE)

	2021 \$'000	2020 \$'000
Departmental		
Appropriation Act (No. 1) 2017-18	-	33
Appropriation Act (No. 1) 2019-20	4,022	8,379
Supply Act (No. 1) - Departmental Capital Budget (DCB) 2019-20	-	83
Appropriation Act (No. 1) - Capital Budget (DCB) - Non-Operating 2019-20	191	193
Appropriation Act (No. 2) - 2019-20	792	792
Appropriation Act (No. 1) 2020-21	14,088	-
Appropriation Act (No.1) - Departmental Capital Budget (DCB) 2020-21	137	-
Supply Act (No. 1) - Departmental Capital Budget (DCB) 2020-21	185	-
Appropriation Act (No. 2) - 2020-21	1,497	-
Cash and cash equivalents	62	62
Total departmental	20,974	9,542

3.2 Net cash appropriation arrangements

3.2A: NET CASH APPROPRIATION ARRANGEMENTS

	2021 \$'000	2020 \$'000
Total comprehensive income - as per the Statement of comprehensive income	8,083	2,215
Plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) ¹	724	-
Plus: Depreciation of right of use assets ²	1,263	1,235
Less: Lease principal repayments ²	(1,148)	(1,064)
Net Cash Operating Surplus	8,922	2,386

¹ From 2010-11, the Government introduced net cash appropriation arrangements where revenue appropriations for depreciation/amortisation expenses of non-corporate Commonwealth entities and selected corporate Commonwealth entities were replaced with a separate capital budget provided through equity injections. Capital budgets are to be appropriated in the period when cash payment for capital expenditure is required. Assets to which depreciation expenses are related to are disclosed in Note 2.2A.

² The inclusion of depreciation/amortisation expenses related to RoU leased assets and the lease liability principal repayment amount reflects the impact of AASB 16 Leases, which does not directly reflect a change in appropriation arrangements.

4. PEOPLE AND RELATIONSHIPS

4.1 Employee provisions

	2021 \$'000	2020 \$'000
4.1A: EMPLOYEE PROVISIONS		
Leave	2,581	1,838
Total employee provisions	2,581	1,838

ACCOUNTING POLICY

Liabilities for short-term employee benefits and termination benefits expected within 12 months of the end of reporting period are measured at their nominal amounts.

Other long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of ACLEI is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including ACLEI's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been determined using the shorthand calculation method as at 30 June 2021. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Superannuation

Entity staff are members of the Public Sector Superannuation Scheme (PSS), or the PSS accumulation plan (PSSap), or other superannuation funds held outside the Australian Government.

The PSS is a defined benefit scheme for the Australian Government. The PSSap is a defined contribution scheme.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

ACLEI makes employer contributions to the employees' defined benefit superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. ACLEI accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions.

Accounting judgements and estimates

In the process of applying accounting policies detailed in these financial statements, ACLEI has made the following judgements that have the most significant impact on the amounts recorded for this note:

- Leave provisions involve assumptions based on the likely tenure of existing staff, patterns of leave claims and pay outs, future salary movements and future discount rates. The appropriate Commonwealth bond rate has been used as the future discount rate.

4.2 Key management personnel remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of ACLEI, directly or indirectly. ACLEI has determined the key management personnel to be the Accountable Authority and Senior Executive Service (SES) officers and people acting in SES positions for more than 3 months. More information about ACLEI's key management personnel during 2020-2021 can be found in the Executive remuneration table in Part 4 - Corporate Governance, Management and Accountability of this Annual Report. Key management personnel remuneration is reported in the table below.

	2021 \$'000	2020 \$'000
Short-term employee benefits	952	935
Post-employment benefits	173	151
Other long term employee benefits	52	93
Termination benefits	181	-
Total key management personnel remuneration expenses	1,358	1,179

The total number of key management personnel that are included in the above table are 6 individuals (2020: 6 individuals).

The above key management personnel remuneration excludes the remuneration and other benefits of the Portfolio Minister. The Portfolio Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by ACLEI.

4.3 Related party disclosures

Related party relationships:

ACLEI is an Australian Government controlled entity. Related parties to ACLEI are key management personnel, the Attorney-General and other Australian Government entities.

Transactions with related parties:

Given the breadth of Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. These transactions have not been separately disclosed in this note.

There were no related party transactions during the year.

5. MANAGING UNCERTAINTIES

5.1 Financial instruments

	2021 \$'000	2020 \$'000
5.1A: CATEGORIES OF FINANCIAL INSTRUMENTS		
Financial assets at amortised cost		
Cash and cash equivalents	62	62
Trade receivables	208	122
Total financial assets at amortised cost	270	184
Financial liabilities measured at amortised cost		
Trade creditors	323	154
Total financial liabilities measured at amortised cost	323	154

ACCOUNTING POLICY

Financial assets

In accordance with AASB 9 *Financial Instruments*, ACLEI classifies its financial assets in the following category: financial assets measured at amortised cost.

Financial assets are recognised when ACLEI becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and are derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date.

Financial assets at amortised cost

Financial assets included in this category need to meet two criteria:

1. the financial asset is held in order to collect the contractual cash flows; and
2. the cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount.

Amortised cost is determined using the effective interest method.

Effective interest method

Income is recognised on an effective interest rate basis for financial assets that are recognised at amortised cost.

Financial liabilities

Financial liabilities are classified as financial liabilities at amortised cost. Financial liabilities are recognised and derecognised upon 'trade date'.

Financial liabilities at amortised cost

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest basis.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

5.2 Fair value measurement

	2021 \$'000	2020 \$'000
5.2A: FAIR VALUE MEASUREMENT		
Non-financial assets		
Leasehold improvements	2,551	2,956
Plant and equipment	876	970

ACCOUNTING POLICY

ACLEI engaged the services of Jones Lang LaSalle Public Sector Valuations (JLL) to conduct a comprehensive revaluation of Leasehold Improvement and Plant and Equipment assets (excluding work in progress) at 30 June 2021. ACLEI has asset valuations undertaken on a triennial basis. JLL provided written assurance to ACLEI that the models developed are in compliance with AASB 13.

The level of fair value hierarchy utilised in the valuation was: Leasehold Improvements: Level 3; Plant and Equipment: Level 2 and Level 3.

The market approach has been utilised to determine fair value of the plant and equipment. The market approach considered transactions and pricing data that has occurred in the principal market in arriving at fair value. The depreciated replacement cost (DRC) approach has been utilised to determine fair value. The DRC approach reflects the amount a market participant would be prepared to pay to acquire or construct a substitute asset of comparable utility, adjusted for physical depreciation and obsolescence. There has been no change to the valuation technique since the previous valuation.

ACLEI's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

6. OTHER INFORMATION

6.1 Current/non-current distinction for assets and liabilities

	2021 \$'000	2020 \$'000
6.1A: CURRENT/NON-CURRENT DISTINCTION FOR ASSETS AND LIABILITIES		
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	62	62
Trade and other receivables	21,290	9,614
Other non-financial assets	223	160
Total no more than 12 months	21,575	9,836
More than 12 months		
Leasehold improvements	2,572	2,956
Right of use assets	6,222	7,011
Plant and equipment	897	970
Total more than 12 months	9,691	10,937
Total assets	31,266	20,773
Liabilities expected to be settled in:		
No more than 12 months		
Suppliers	323	154
Other payables	253	148
Leases	1,286	1,120
Employee provisions	865	608
Total no more than 12 months	2,727	2,030
More than 12 months		
Leases	5,221	6,061
Employee provisions	1,716	1,230
Other provisions	454	215
Total more than 12 months	7,391	7,506
Total Liabilities	10,118	9,536





Part Six

Appendices

Appendix 1 – Assumed identities annual report

Report about the use of assumed identities during the period 1 July 2020 to 30 June 2021 [s 15LD(1) of the *Crimes Act 1914 (Cth)*]

Description	Outcomes for 2020–21
The number of authorities granted by the Integrity Commissioner or their delegate during the year. [s 15LD(1)(a)]	One
General description of the activities undertaken by authorised civilians and authorised law enforcement officers when using assumed identities under Part IAC during the year. [s 15LD(1)(b)]	Investigation of and / or intelligence gathering concerning criminal activity related to ACLEI's functions. Administrative functions in relation to the integrity of ACLEI's assumed identities capability.
The number of applications for authorities that were refused during the year. [s 15LD(1)(c)]	None
The number of authorities of which control was transferred by the Integrity Commissioner or their delegate under s 15KV during the year. [s 15LD(1)(d)]	None
The number of authorities of which control was transferred to the Integrity Commissioner or their delegate under s 15KV during the year. [s 15LD(1)(e)]	None
Statement whether or not any fraud or other unlawful activity was identified by an audit under s 15LG during the year. [s 15LD(1)(f)]	No fraud or other unlawful activity was identified by audit under s 15LG during the period 1 July 2020 to 30 June 2021.
Other information relating to authorities and assumed identities and the administration of Part IAC that the LEIC Minister considers appropriate. [s 15LD(1)(g)]	Not applicable

Appendix 2 – Witness identity protection certificates annual report

Report about witness identity protection certificates given by the Integrity Commissioner from 1 July 2020 to 30 June 2021 [s 15MU(1) *Crimes Act 1914 (Cth)*]

Description	Outcome for 2020–21
The number of witness identity certificates given during the year. [s 15MU(2)(a)]	None
The basis on which the Integrity Commissioner was satisfied about the matters mentioned in s 15ME(1)(b) for each certificate. [s 15MU(2)(b)]	Not applicable
If disclosure of an operative's identity to a presiding officer was required by s 15ML—details of the proceeding in relation to which disclosure was required and details of the things that the presiding officer required the operative to do under that section. [s 15MU(2)(c)]	Not applicable
If leave was given or an order made under s 15MM in a proceeding in which a witness identity protection certificate for an operative was filed—details of the proceeding that relate to the leave or order. [s 15MU(2)(d)]	Not applicable
If leave was given for joinder of a person as a respondent to proceedings under s 15MN—details of the person who was joined and who appeared on their behalf. [s 15MU(2)(e)]	Not applicable

Description	Outcome for 2020–21
<p>If leave was given for an adjournment under s 15MP—details of whether an appeal was made against the decision under that section.</p> <p>[s 15MU(2)(f)]</p>	Not applicable
<p>If a witness identity protection certificate was cancelled under s 15MQ—the reasons why the certificate was cancelled.</p> <p>[s 15MU(2)(g)]</p>	Not applicable
<p>If a permission was given under s 15MR—the reasons why the permission was given.</p> <p>[s 15MU(2)(h)]</p>	Not applicable
<p>Other information relating to witness identity protection certificates and the administration of Part IACA of the Crimes Act that the Minister considers appropriate.</p> <p>[s 15MU(2)(i)]</p>	Not applicable

Appendix 3 – Statistical reporting

Appendix 3 provides detailed statistics in response to the reporting requirements of the *Law Enforcement Integrity Commissioner Act 2006* (LEIC Act)

These statistics provide additional information to those provided against our performance measures in the Annual Performance Statement provided above (as required by the *Public Governance, Performance and Accountability Act 2013* (PGPA Act)).

All information in brackets in the tables below is from the 2019–20 reporting period, and is provided as a comparison to the 2020–21 figures.

Part 1: Notifications and referrals overview

Summary—Treatment of notifications and referrals received and potential own-initiative investigations identified in 2020–21

Table 22: Total number of matters received in 2020–21

	Notifications	Referrals	Own-initiative	Total
Total matters received	365	101	12	478
Under assessment at the end of the period	28	14	2	44
Number of matters assessed as being out of jurisdiction in the period	32	62	2	96
Number of matters assessed as raising a corruption issue during the period	305 (172)	25 (38)	8 (6)	338 (216)

Figure 15: Assessment of matters received in 2020–21

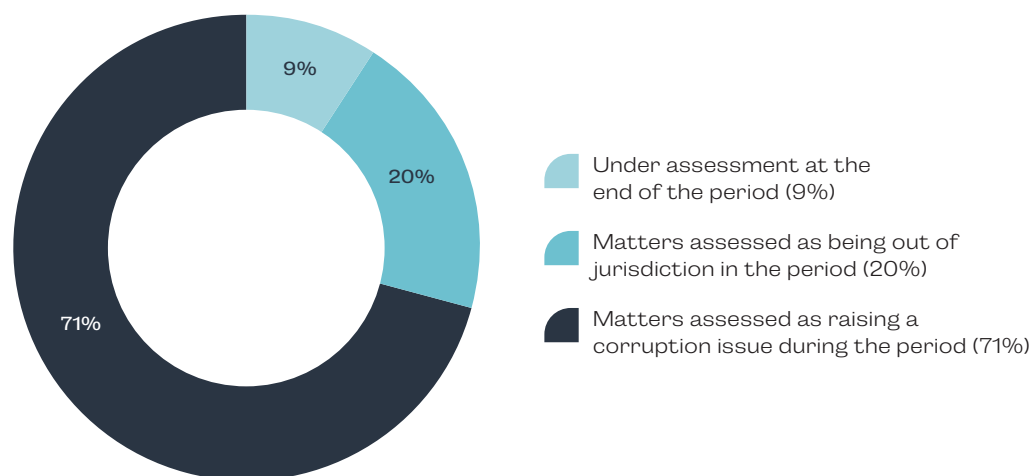


Table 23: Treatment of notifications and referrals received and potential own-initiative investigations identified in 2020–21 which were assessed as raising a corruption issue

	Notifications	Referrals	Own-initiative	Total
Total matters assessed as raising a corruption issue during the period	305 (172)	25 (38)	8 (6)	338 (216)
ACLEI-only investigation commenced	1 (6)	1 (7)	0 (1)	2 (14)
Joint investigation commenced	17 (5)	3 (8)	7 (2)	27 (15)
LEIC agency investigation commenced	76 (85)	10 (4)	1 (3)	87 (92)
No further action under the LEIC Act	211 (71)	11 (10)	0 (0)	222 (81)
Under assessment at end of period ¹	0 (5)	0 (9)	0 (0)	0 (14)

Figure 16: How notifications, referrals and potential own-initiative investigations were dealt with following initial assessment

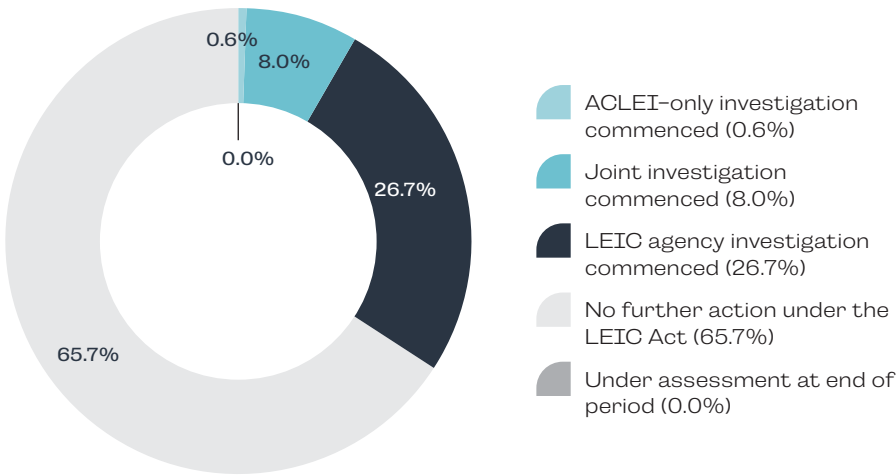
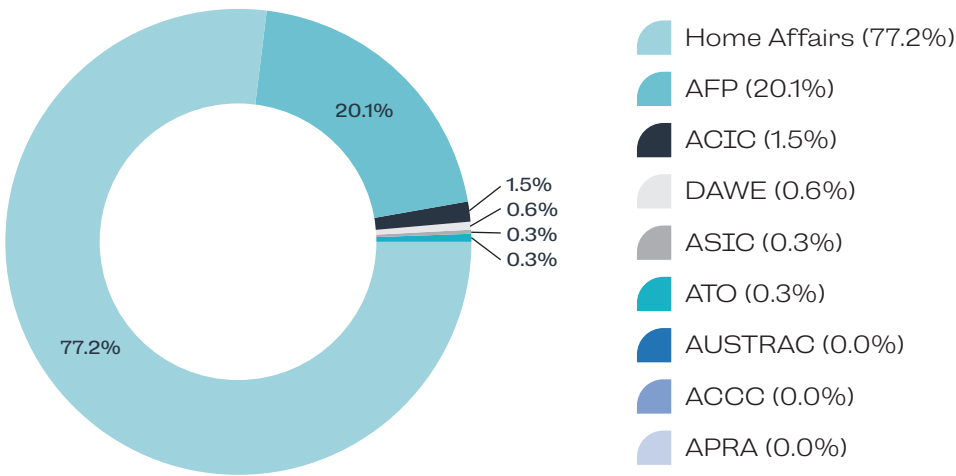


Figure 17: Notifications, referrals and potential own-initiative investigations by agency



Part 2: Notifications from agency heads (subpara 201(a)(i) LEIC Act, s 11 LEIC Regulations)

Table 24: Total notifications received in 2020–21 under s 19

	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	Home Affairs	DAWE	Total
Total notifications received	0	3	63	0	2	5	0	289	3	365
Under assessment at the end of the period	0	0	1	0	1	3	0	22	1	28
Matters assessed as being out of jurisdiction	0	1	8	0	0	1	0	22	0	32
Matters assessed as raising a corruption issue	0 (N/A)	2 (4)	54 (63)	0 (N/A)	1 (N/A)	1 (N/A)	0 (0)	245 (100)	2 (5)	305 (172)

Figure 18: Total notifications received in 2020–21 under s19

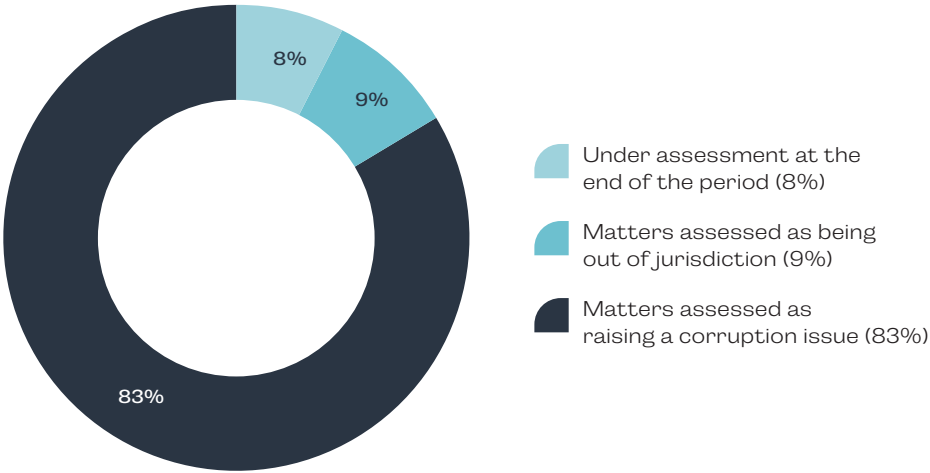


Table 25: Corruption issues notified in 2020–21 under s 19—by type of corruption as assessed upon receipt

	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	Home Affairs	DAWE	Total
Abuse of office [s 6(1)(a)]	0 (N/A)	2 (2)	40 (38)	0 (N/A)	0 (N/A)	1 (N/A)	0 (0)	48 (79)	2 (5)	93 (124)
Pervert the course of justice [s 6(1)(b)]	0 (N/A)	0 (0)	2 (1)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	0 (1)	0 (0)	2 (2)
Corruption of any other kind [s 6(1)(c)]	0 (N/A)	0 (2)	12 (24)	0 (N/A)	1 (N/A)	0 (N/A)	0 (0)	197 (20)	0 (0)	210 (46)
Total	0 (N/A)	2 (4)	54 (63)	0 (N/A)	1 (N/A)	1 (N/A)	0 (0)	245 (100)	2 (5)	305 (172)

Table 26: How notifications of corruption issues in 2020–21 under s 19 were dealt with

	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	Home Affairs	DAWE	Total
Investigations commenced										
ACLEI investigation [s 26(1)(a)]	0 (N/A)	0 (0)	0 (2)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	1 (4)	0 (0)	1 (6)
Joint investigation [s 26(2)]	0 (N/A)	2 (2)	5 (1)	0 (N/A)	0 (N/A)	1 (N/A)	0 (0)	8 (2)	1 (0)	17 (5)
Managed investigation [s 26(1)(b)(i) or 26(1)(d)]	0 (N/A)	0 (0)	0 (0)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	0 (1)	0 (0)	0 (1)
Overseen investigation [s 26(1)(b)(ii) or 26(1)(e)]	0 (N/A)	0 (0)	0 (0)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	1 (0)	0 (0)	1 (0)
Unsupervised agency investigation [s 26(1)(b)(iii)]	0 (N/A)	0 (1)	12 (19)	0 (N/A)	1 (N/A)	0 (N/A)	0 (0)	60 (47)	1 (3)	74 (70)
Not 'significant' – agency investigates [s 22(1)]	0 (N/A)	0 (0)	1 (11)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	0 (3)	0 (0)	1 (14)
Subtotal	0 (N/A)	2 (3)	18 (33)	0 (N/A)	1 (N/A)	1 (N/A)	0 (0)	70 (57)	2 (3)	94 (96)

	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	Home Affairs	DAWE	Total
No further action – reasons for taking no further action under the LEIC Act										
Issue is or will be investigated by a law enforcement agency [s 31(4)(a)(i) and s 32(8)(a)]	0 (N/A)	0 (0)	30 (17)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	171 ¹ (2)	0 (0)	201 (19)
Investigation not warranted [s 31(4)(e) and s 32(8)(c)]	0 (N/A)	0 (0)	6 (8)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	4 (35)	0 (1)	10 (44)
Did not raise a corruption issue under the LEIC Act	0 (N/A)	0 (1)	0 (1)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	0 (6)	0 (0)	0 (8)
Subtotal	0 (N/A)	0 (1)	36 (26)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	175 (43)	0 (1)	211 (71)
Under assessment at close of reporting period										
Under assessment	0 (N/A)	0 (0)	0 (4)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	0 (0)	0 (1)	0 (5)
Total	0 (N/A)	2 (4)	54 (63)	0 (N/A)	1 (N/A)	1 (N/A)	0 (0)	249 (100)	2 (5)	305 (172)

- 1 This substantial increase in matters relates to the bulk referral from Home Affairs relating to non-significant corruption detected by its active detection program focusing on unauthorised access.

Part 3: Referrals from other sources (subpara 201(a)(ii) LEIC Act, s 12 LEIC Regulations)

Table 27: Total referrals received in 2020–21 under s 18 or s 23

	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	Home Affairs	DAWE	Total
Total referrals received	0	9	43	0	3	1	1	42	2	101
Under assessment at the end of the period	0	0	6	0	0	0	0	8	0	14
Matters assessed as being out of jurisdiction	0	6	26	0	3	1	1	23	2	62
Referrals assessed as raising a corruption issue	0 (N/A)	3 (2)	11 (19)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	11 (16)	0 (1)	25 (38)

Figure 19: Total referrals received in 2020–21 under s 18 or s 23

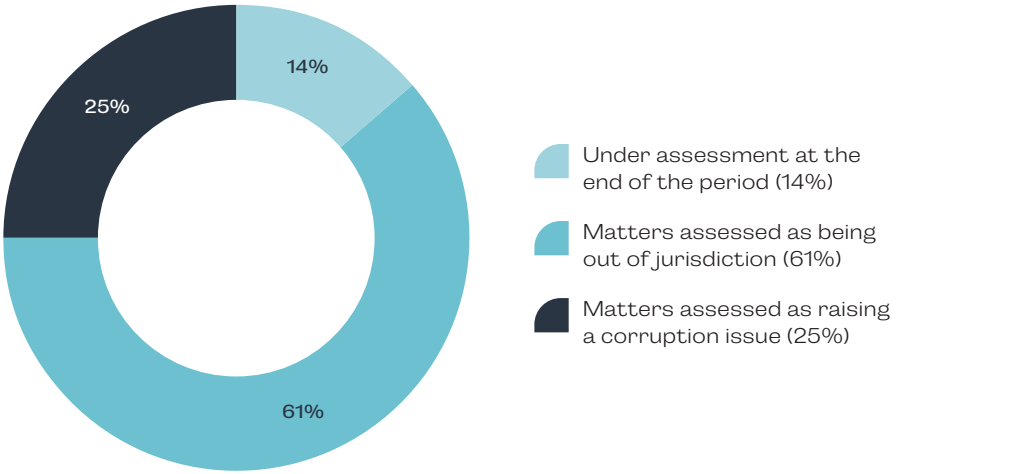


Table 28: Corruption issues referred in 2020–21 under s 18 or s 23—by type of corruption as assessed upon receipt

	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	Home Affairs	DAWE	Total
Abuse of office [s 6(1)(a)]	0 (N/A)	2 (2)	10 (14)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	11 (13)	0 (1)	23 (30)
Pervert the course of justice [s 6(1)(b)]	0 (N/A)	0 (0)	1 (4)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	0 (0)	0 (0)	1 (4)
Corruption of any other kind [s 6(1)(c)]	0 (N/A)	1 (0)	0 (1)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	0 (3)	0 (0)	1 (4)
Total	0 (N/A)	3 (2)	11 (19)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	11 (16)	0 (1)	25 (38)

Table 29: How these referrals under s 18 or s 23 were dealt with

	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	Home Affairs	DAWE	Total
Investigations commenced										
ACLEI investigation [s 26(1)(a)]	0 (N/A)	0 (0)	0 (3)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	1 (4)	0 (0)	1 (7)
Joint investigation [s 26(2)]	0 (N/A)	1 (2)	0 (4)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	2 (2)	0 (0)	3 (8)
Unsupervised agency investigation [s 26(1)(b)(iii)]	0 (N/A)	1 (0)	6 (2)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	3 (2)	0 (0)	10 (4)
Subtotal	0 (N/A)	2 (2)	6 (9)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	6 (8)	0 (0)	14 (19)
No further actions – reasons for taking no further action under the LEIC Act										
Investigation not warranted [s 31(4)(e) and 32 (8)(a)]	0 (N/A)	1 (0)	5 (5)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	5 (4)	0 (1)	11 (10)
Subtotal	0 (N/A)	1 (0)	5 (5)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	5 (4)	0 (1)	11 (10)
Under assessment at close of reporting period										
Under assessment	0 (N/A)	0 (0)	0 (5)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	0 (4)	0 (0)	0 (9)
Total	0 (N/A)	3 (2)	11 (19)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	11 (16)	0 (1)	25 (38)

Part 4: Own-initiative investigations (subpara 201(a)(ii) LEIC Act, s 13 LEIC Regulations)

Table 30: Investigation commenced in 2020–21 on the Integrity Commissioner’s own initiative— by type of corruption

	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	Home Affairs	DAWE	Total
Abuse of office [s 6(1)(a)]	0 (N/A)	0 (0)	3 (2)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	5 (1)	0 (1)	8 (4)
Pervert the course of justice [s 6(1)(b)]	0 (N/A)	0 (0)	0 (0)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	0 (0)	0 (0)	0 (0)
Corruption of any other kind [s 6(1)(c)]	0 (N/A)	0 (0)	0 (0)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	0 (2)	0 (0)	0 (2)
Total	0 (N/A)	0 (0)	3 (2)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	5 (3)	0 (1)	8 (6)

PART 5: ACLEI investigations (subpara 201(a)(iv) LEIC Act, s 14 LEIC Regulations)

Table 31: Corruption issues investigated by ACLEI in 2020–21 under subpara 26(1)(a), including joint investigations and investigations carried forward from previous years—by type of corruption as assessed upon receipt

	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	Home Affairs	DAWE	Total
Abuse of office [s 6(1)(a)]	0 (N/A)	8 (18)	27 (28)	0 (N/A)	0 (N/A)	1 (N/A)	0 (1)	57 (96)	6 (9)	99 (152)
Pervert the course of justice [s 6(1)(b)]	0 (N/A)	0 (0)	0 (0)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	0 (0)	0 (0)	0 (0)
Corruption of any other kind [s 6(1)(c)]	0 (N/A)	0 (0)	3 (6)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	6 (9)	0 (1)	9 (16)
Total	0 (N/A)	8 (18)	30 (34)	0 (N/A)	0 (N/A)	1 (N/A)	0 (1)	63 (105)	6 (10)	108 (168)

Table 32: Corruption issue investigations finalised in 2020–21

	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	Home Affairs	DAWE	Total
Investigations completed – reports to the Minister issued under s 54	0 (N/A)	0 (0)	1 (1)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	10 (2)	3 (0)	141 (3)
ACLEI investigation discontinued after reconsideration [s 42]	0 (N/A)	0 (13)	7 (12)	0 (N/A)	0 (N/A)	0 (N/A)	0 (1)	13 (58)	0 (5)	20 (89)
Not a staff member of a law enforcement agency as defined by the LEIC Act	0 (N/A)	1 (0)	0 (0)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	1 (1)	0 (0)	2 (1)
Total	0 (N/A)	1 (13)	8 (13)	0 (N/A)	0 (N/A)	0 (N/A)	0 (1)	24 (61)	3 (5)	36 (93)

1 Refers to corruption issues rather than total reports—a single report may have more than 1 corruption issue

Part 6: Referrals to another agency (subpara 201(a)(v) LEIC Act, s 15 LEIC Regulations)

Table 33: Corruption issues referred by the Integrity Commissioner to a government agency for investigation in 2020–21 under subpara 26(1)(b) or subpara 26(1)(c)—by type of corruption as assessed upon receipt

	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	Home Affairs	DAWE	Total
Abuse of office [s 6(1)(a)]	0 (N/A)	0 (0)	18 (21)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	40 (57)	1 (8)	59 (86)
Pervert the course of justice [s 6(1)(b)]	0 (N/A)	0 (0)	2 (2)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	0 (1)	0 (0)	2 (3)
Corruption of any other kind [s 6(1)(c)]	0 (N/A)	1 (1)	2 (8)	0 (N/A)	1 (N/A)	0 (N/A)	0 (0)	25 (13)	0 (0)	29 (22)
Total	0 (N/A)	1 (1)	22 (31)	0 (N/A)	1 (N/A)	0 (N/A)	0 (0)	65 (71)	1 (8)	90 (111)

Table 34: How corruption issues referred by the Integrity Commissioner to a government agency for investigation were dealt with

	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	Home Affairs	DAWE	Total
Investigation managed by ACLEI [s 26(1)(b)(i)]	0 (N/A)	0 (0)	0 (0)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	0 (1)	0 (0)	0 (1)
Investigation oversighted by ACLEI [s 26(1)(b)(ii)]	0 (N/A)	0 (0)	0 (0)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	1 (0)	0 (0)	1 (0)
Investigation neither managed nor oversighted by ACLEI [s 26(1)(b)(iii)]	0 (N/A)	1 (1)	21 (31)	0 (N/A)	1 (N/A)	0 (N/A)	0 (0)	64 (69)	1 (8)	88 (109)
Not 'significant' – agency investigates [s 22(1)]	0 (N/A)	0 (0)	1 (0)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	0 (0)	0 (0)	1 (0)
Referred to AFP for investigation	0 (N/A)	0 (0)	0 (0)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	0 (1)	0 (0)	0 (1)
Total corruption issues referred for investigation in 2020–21	0 (N/A)	1 (1)	22 (31)	0 (N/A)	1 (N/A)	0 (N/A)	0 (0)	65 (71)	1 (8)	90 (111)

Table 35: Number of corruption issues where investigations by a government agency were finalised in 2020–21

	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	Home Affairs	DAWE	Total
Investigation completed – s 66 report accepted	0 (N/A)	6 (0)	45 (58)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	45 (22)	7 (9)	103 (89)
Discontinued after reconsideration [s 42]	0 (N/A)	0 (0)	1 (3)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	0 (25)	0 (0)	1 (28)
Total	0 (N/A)	6 (0)	46 (61)	0 (N/A)	0 (N/A)	0 (N/A)	0 (0)	45 (47)	7 (9)	104 (117)

Part 7: Investigations carried forward

Table 36: Corruption issues investigated by ACLEI carried forward to 2021–22—by year of notification or referral

ACLEI or joint investigation [s 26(1)(a) and s 26(2)]	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	Home Affairs	DAWE	Total
2014–15	N/A	1 (1)	0 (0)	N/A	N/A	N/A	0 (0)	2 (3)	0 (0)	3 (4)
2015–16	N/A	0 (0)	0 (0)	N/A	N/A	N/A	0 (0)	0 (3)	2 (3)	2 (6)
2016–17	N/A	0 (0)	2 (2)	N/A	N/A	N/A	0 (0)	7 (9)	0 (1)	9 (12)
2017–18	N/A	0 (0)	2 (2)	N/A	N/A	N/A	0 (0)	5 (10)	0 (0)	7 (12)
2018–19	N/A	0 (0)	5 (4)	N/A	N/A	N/A	0 (0)	2 (7)	0 (1)	7 (11)
2019–20	N/A	3 (4)	6 (12)	N/A	N/A	N/A	0 (0)	10 (12)	0 (0)	19 (28)
2020–21	0	3	7	0	0	1	0	13	1	25
Total number of corruption issues under investigation by ACLEI at 30 June 2021	0 (N/A)	7 (15)	22 (21)	0 (N/A)	0 (N/A)	1 (N/A)	0 (0)	39 (44)	3 (5)	72 (75)

Table 37: Status of corruption issues investigated by ACLEI carried forward to 2021–22, with notification or referral years of 2014–15 to 2019–20

ACLEI or joint investigation [s 26(1)(a) and s 26(2)]	Total	Status
2014–15	3	The investigations of 3 of these corruption issues are completed and awaiting s 54 reports
2015–16	2	A prosecution is before the courts in relation to 2 of these corruption issues
2016–17	9	The investigations of 5 of these corruption issues are completed and awaiting s 54 reports A brief of evidence is with the CDPP to be assessed in relation to one of these corruption issues A prosecution is before the courts in relation to one of these corruption issues 2 corruption issues remain under active investigation
2017–18	7	The investigations of 3 of these corruption issues are completed and awaiting s 54 reports A prosecution is before the courts in relation to one of these corruption issues 3 corruption issues remain under active investigation
2018–19	7	The investigations of 2 of these corruption issues are completed and awaiting s 54 reports A prosecution is before the courts in relation to one of these corruption issues 4 corruption issues remain under active investigation
2019–20	19	The investigations of 4 of these corruption issues are completed and awaiting s 54 reports A brief of evidence is with the CDPP to be assessed in relation to 4 of these corruption issues A prosecution is before the courts in relation to one of these corruption issues 10 corruption issues remain under active investigation

Table 38: Corruption issues investigated by LEIC Act agencies carried forward to 2021–22—by year of notification or referral

Agency investigations [s 22 and s 26(1)(b, c, d, e)]	ACCC	ACIC	AFP	APRA	ASIC	ATO	AUSTRAC	Home Affairs	DAWE	Total
2013–14	N/A	0 (0)	0 (0)	N/A	N/A	N/A	0 (0)	1 (3)	0 (0)	1 (3)
2014–15	N/A	0 (0)	0 (1)	N/A	N/A	N/A	0 (0)	0 (3)	0 (0)	0 (4)
2015–16	N/A	0 (0)	0 (2)	N/A	N/A	N/A	0 (0)	8 (16)	0 (0)	8 (18)
2016–17	N/A	0 (0)	1 (4)	N/A	N/A	N/A	0 (0)	7 (13)	1 (2)	9 (19)
2017–18	N/A	1 (4)	1 (9)	N/A	N/A	N/A	0 (0)	11 (23)	1 (1)	14 (37)
2018–19	N/A	0 (2)	8 (20)	N/A	N/A	N/A	0 (0)	17 (22)	6 (11)	31 (55)
2019–20	N/A	0 (1)	10 (25)	N/A	N/A	N/A	0 (0)	46 (50)	1 (2)	57 (78)
2020–21	0	1	16	0	1	0	0	62	1	81
Total number of corruption issues under investigation by LEIC Act agencies at 30 June 2021	0 (N/A)	2 (7)	36 (61)	0 (N/A)	1 (N/A)	0 (N/A)	0 (0)	152 (132)	10 (16)	201 (216)

ACLEI corruption issues investigated (subpara 201(a)(vi) LEIC Act, s 16 LEIC Regulations)

Section 16 of the LEIC Regulations requires particulars of completed investigations of corruption issues relating to ACLEI staff to be published in the Integrity Commissioner's Annual Report.

One investigation into an ACLEI corruption issue was completed in 2020–21. The investigation considered whether a staff member had engaged in corrupt conduct pursuant to subs 6(3) of the LEIC Act by divulging or communicating confidential ACLEI information and by representing that they would interfere in the assessment of a potential corruption issue.

As required by the LEIC Act, the then Integrity Commissioner, Mr Michael Griffin AM, notified the Minister, who appointed a Special Investigator to independently investigate the allegation. The Special Investigator concluded the staff member did not engage in corrupt conduct and did not make any recommendations as a result of the investigation.

A second Special Investigator was appointed to further investigate and report on the ACLEI corruption issue. This report was subject to an application for review under the *Administrative Decisions (Judicial Review) Act 1977*. The application was discontinued and the second report, including all findings and recommendations, was set aside. No further action was required.

Appendix 4 – Resources and expenses for outcome

Table 39: ACLEI resource statement 2020–21

	Actual available appropriation for 2020–21 \$'000	Payments made 2020–21 \$'000	Balance remaining 2020–21 \$'000
	(a)	(b)	(a) – (b)
Departmental			
Annual appropriations – ordinary annual services ¹			
Prior-year appropriations available	8,379	8,379	-
Departmental appropriation	19,844	1,736	18,108
Prior-year Departmental capital budget available	83	83	-
Departmental capital budget	331	9	322
s74 External Revenue	733	733	-
Adjustment to s74 relevant agency receipts ²	889	889	-
Total ordinary annual services (A)	30,260	11,829	18,431
Annual appropriations – other services – non-operating			
Prior-year appropriations available	792	-	792
Prior-year Departmental capital budget available	193	2	191
Equity injection ³	1,497	-	1,497
Total other services (B)	2,482	2	2,480
Total resourcing and payments for ACLEI (A + B)⁴	32,742	11,831	20,911

1 *Appropriation Act (No. 1) 2020–21*. Also includes prior-year departmental appropriations and s 74 retained revenue receipts.

2 Adjustment to reflect section 74 receipts received during the year from other sources.

3 *Appropriation Act (No. 2) 2020–21* (Equity Injection).

4 Total payments have been adjusted for GST.

Table 40: Expenses for Outcome 1

Outcome 1: Independent assurance to the Australian Government that Commonwealth law enforcement agencies and their staff act with integrity by detecting, investigating and preventing corruption	Budget* 2020–21 \$'000	Actual expenses 2020–21 \$'000	Variation 2020–21 \$'000
	(a)	(b)	(a) – (b)
Program 1.1: Detect, investigate and prevent corruption in prescribed law enforcement agencies; assist law enforcement agencies to maintain and improve the integrity of staff members			
Departmental expenses			
Departmental appropriation	19,844	8,801	11,043
s74 External Revenue ¹	733	1,622	(889)
Expenses not requiring appropriation in the budget year ²	1,817	2,089	(272)
Departmental total	22,394	12,512	9,882
Total expenses for program 1.1	22,394	12,512	9,882
Outcome 1 totals by appropriation type			
Departmental expenses			
Departmental appropriation	19,844	8,801	11,043
s74 External Revenue ¹	733	1,622	(889)
Expenses not requiring appropriation in the budget year ²	1,817	2,089	(272)
Departmental total	22,394	12,512	9,882
Total expenses for Outcome 1	22,394	12,512	9,882

	2020–21	2020–21
Average staffing level (number)	89	53

* Full-year budget, including any subsequent adjustment made to the 2020–21 budget at Additional Estimates.

1 Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act.

2 Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make-good expenses, and audit fees.

Appendix 5 – Developments in ACLEI's operating environment

Legislation and government policy

Developments in legislation or government policy can have a direct impact on ACLEI's jurisdiction, powers, procedures or practices. Amendments to the LEIC Regulations, which commenced on 1 January 2021, effected significant changes to ACLEI's operating environment by adding 4 agencies to ACLEI's jurisdiction.

ACLEI also continued to engage with the Attorney-General's Department on the government's proposal to establish a Commonwealth Integrity Commission (CIC), including through the consultations on the exposure drafts of the Commonwealth Integrity Commission Bill and the Integrity and Anti-Corruption Legislation Amendment (CIC Establishment and Other Measures) Bill. The government's commitment to a CIC has directed ACLEI's approach to its expansion, with ACLEI's expansion activities being designed to support ACLEI's current needs and be scalable to support the implementation of the CIC.

Table 41 shows legislative changes and policy development of bills which affected ACLEI in 2020–21

Table 41: legislative changes and policy development of bills which affected ACLEI in 2020–21

Legislation	Commencement date	Relevance	Description
Legislation passed during 2020–21			
<i>Anti-Money Laundering and Counter-Terrorism Financing and Other Legislation Amendment Act 2020</i>	17 June 2021	Sch 1 Pt 4 – Secrecy provisions	Amends secrecy provisions in the <i>Anti-Money Laundering and Counter-Terrorism Financing Act 2006</i> to amend how information under s 49 can be used and disclosed. Specifically, it creates defined exceptions for when Suspicious Matter Report information can be disclosed.
Bills before Parliament at the end of the period			
Surveillance Legislation Amendment (Identity and Disrupt) Bill 2020	Nil. Introduced 3 December 2020	Proposes new warrants for use by the AFP	Proposes data disruption warrants to enable the AFP and ACIC to disrupt data by modifying, adding, copying or deleting data in order to frustrate the commission of a serious offence online. Proposes network activity warrants to allow the AFP and ACIC to collect intelligence on serious criminal activity by permitting access to devices and networks.

Relevant decisions of courts and administrative tribunals

Case law relating to ACLEI and other bodies with similar functions helps to inform the way ACLEI interprets and applies legislation. Accordingly, ACLEI monitors relevant decisions of courts and tribunals to guide its administration of the LEIC Act and the use of powers established by it and other Acts. These decisions, and their effects, are summarised in Table 42 below.

Table 42: summary of relevant decisions of courts and administrative tribunals

#	Case citation	Related agency	Judgment date	Relevance to ACLEI	Summary
1	<i>Bell v The Queen</i> [2020] SASFC 116	ICAC (South Australia)	3 December 2020	Comments on issues surrounding confidentiality, hearing directions, and providing hearing material to the prosecution.	<p>The main issue raised by <i>Bell</i> is the referral of material by an anticorruption commission for the purposes of a criminal prosecution and ongoing involvement in that prosecutorial process.</p> <p>In <i>Bell</i>, the first instance judge determined that the South Australian (SA) ICAC had no power to refer directly to the SA Director of Public Prosecutions (DPP) or be involved in the prosecutorial process, either by further investigating for the purposes of the prosecution or by serving court documents. The first part of this was overturned on appeal but the appeal judges affirmed that SA ICAC has no function serving court documents (albeit this did not undermine the accused's fair trial and so did not affect the outcome in a material way).</p> <p>The other matter of concern in <i>Bell</i> was the interplay of coercive powers and the prosecutorial process. This was not a critical legislative issue in <i>Bell</i>—the issue was with inaction by SA ICAC regarding confidentiality provisions once the decision to prosecute was made. However, the appeal court did have a significant critique of the legislative framework at [327] of that judgment and recommended that SA Parliament consider amending the provisions surrounding coercive powers and referring material to the DPP.</p>
2	<i>Commissioner of Australian Federal Police v Luppino</i> [2021] FCAFC 43	AFP	25 March 2021	Section 3LA Crimes Act 1914	<p>This case concerned the construction of 3LA Crimes Act warrants. 3LA warrants are preferred over the LEIC Act equivalent section 125, because a lack of reform to s 125 alongside s 3LA has resulted in an antiquated warrant provision. Due to ACLEI's reliance on s 3LA, the teachings from the Luppino case are pertinent to our own warrant drafting practices.</p>

Appendix 6 – Staffing information

The following tables provide information about ACLEI’s workforce at 30 June 2021 and 30 June 2020. Figures in this appendix do not include staff seconded to ACLEI from non-APS agencies.

Data reported in previous annual reports did not include casual staff. ACLEI has included data on casual employees this year to assist the reader’s understanding of ACLEI’s workforce.

Table 43: All employees (ongoing and non-ongoing) at 30 June 2021 by full-time, part-time and casual status

	Ongoing	Non-ongoing	Total
Casual	0	3	3
Full-time	59	3*	62
Part-time	4	1	5
Total	63	7	70

* In previous years, the Integrity Commissioner has been reported as an ongoing-employee. In 2021–22 the Integrity Commissioner is included as a non-ongoing employee, being a full time statutory appointee.

Table 44: All employees (ongoing and non-ongoing) at 30 June 2020 by full-time, part-time and casual status

	Ongoing	Non-ongoing	Total
Casual*	0	6	6
Full-time	36	4	40
Part-time	4	0	4
Total	40	10	50

* Casual employees not previously reported in 2019–20 ACLEI Annual Report.

Table 45: All ongoing employees at 30 June 2021 by full-time and part-time status, gender and location

Location	Female			Male			Total
	Full-time	Part-time	Total female	Full-time	Part-time	Total male	
ACT	23	2	25	19	0	19	44
NSW	6	1	7	11	0	11	18
Vic	1	0	1	0	0	0	1
Total	30	3	33	30	0	30	63

Table 46: All ongoing employees at 30 June 2020 by full-time and part-time status, gender and location

Location	Female			Male			Total
	Full-time	Part-time	Total female	Full-time	Part-time	Total male	
ACT	15	4	19	14	0	14	33
NSW	2	0	2	5	0	5	7
Vic	0	0	0	0	0	0	0
Total	17	4	21	19	0	19	40

Table 47: All non-ongoing employees at 30 June 2021 by full-time, part-time and casual status, gender and location

Location	Female				Male				Total
	Full-time	Part-time	Casual	Total female	Full-time	Part-time	Casual	Total male	
ACT	2*	1	1	4	1	0	1	2	6
NSW	0	0	1	1	0	0	0	0	1
Vic	0	0	0	0	0	0	0	0	0
Total	2	1	2	5	1	0	1	2	7

* In previous years, the Integrity Commissioner has been reported as an ongoing-employee. In 2021-22 the Integrity Commissioner is included as a non-ongoing employee, being a full time statutory appointee.

Table 48: All non-ongoing employees at 30 June 2020 by full-time, part-time and casual status, gender and location

Location	Female				Male				Total
	Full-time	Part-time	Casual*	Total female	Full-time	Part-time	Casual	Total male	
ACT	2	0	2	4	2	0	3	5	9
NSW	0	0	1	1	0	0	0	0	1
Vic	0	0	0	0	0	0	0	0	0
Total	2	0	3	5	2	0	3	5	10

* Casual employees not previously reported in 2019-20 ACLEI Annual Report.

Table 49: All ongoing Public Service Act employees at 30 June 2021 by full-time and part-time status, gender and classification

APS classification	Female			Male			Total
	Full-time	Part-time	Total female	Full-time	Part-time	Total male	
APS 4	3	0	3	0	0	0	3
APS 5	2	1	3	2	0	2	5
APS 6	8	1	9	2	0	2	11
EL 1	9	2	11	16	0	16	27
EL 2	5	0	5	9	0	9	14
SES Band 1	2	0	2	1	0	1	3
Total	29	4	33	30	0	30	63

Table 50: All ongoing Public Service Act employees at 30 June 2020 by full-time and part-time status, gender and classification

APS classification	Female			Male			Total
	Full-time	Part-time	Total female	Full-time	Part-time	Total male	
APS 4	1	0	1	0	0	0	1
APS 5	0	2	2	0	0	0	2
APS 6	6	2	8	1	0	1	9
EL 1	5	0	5	12	0	12	17
EL 2	2	0	2	4	0	4	6
SES Band 1	2	0	2	2	0	2	4
Total	16	4	20	19	0	19	39

Table 51: All non-ongoing Public Service Act employees at 30 June 2021 by full-time, part-time and casual status, gender and classification

APS classification	Female				Male				Total
	Full-time	Part-time	Casual	Total female	Full-time	Part-time	Casual	Total male	
APS 4	0	0	1	1	0	0	1	1	2
APS 5	1	1	0	2	1	0	0	1	3
APS 6	0	0	0	0	0	0	0	0	0
EL 1	0	0	1	1	0	0	0	0	1
EL 2	0	0	0	0	0	0	0	0	0
SES Band 1	0	0	0	0	0	0	0	0	0
Total	1	1	2	4	1	0	1	2	6

Table 52: All non-ongoing Public Service Act employees at 30 June 2020 by full-time, part-time and casual status, gender and classification

APS classification	Female				Male				Total
	Full-time	Part-time	Casual	Total female	Full-time	Part-time	Casual	Total male	
APS 4	1	0	1	2	0	0	2	2	4
APS 5	0	0	0	0	1	0	0	1	1
APS 6	0	0	0	0	0	0	0	0	0
EL 1	0	0	2	2	1	0	1	2	4
EL 2	1	0	0	1	0	0	0	0	1
SES Band 1	0	0	0	0	0	0	0	0	0
Total	2	0	3	5	2	0	3	5	10

Table 53: All ongoing and non-ongoing Public Service Act employees at 30 June 2021 by full-time, part-time and casual status and classification

APS classification	Ongoing			Non-ongoing				Total
	Full-time	Part-time	Total ongoing	Full-time	Part-time	Casual	Total non-ongoing	
APS 4	3	0	3	0	0	2	2	5
APS 5	4	1	5	2	1	0	3	8
APS 6	10	1	11	0	0	0	0	11
EL 1	25	2	27	0	0	1	1	28
EL 2	14	0	14	0	0	0	0	14
SES Band 1	3	0	3	0	0	0	0	3
Total	59	4	63	2	1	3	6	69

Table 54: All ongoing and non-ongoing Public Service Act employees at 30 June 2020 by full-time, part-time and casual status and classification

APS classification	Ongoing			Non-ongoing				Total
	Full-time	Part-time	Total ongoing	Full-time	Part-time	Casual	Total non-ongoing	
APS 4	1	0	1	1	0	3	4	5
APS 5	0	2	2	1	0	0	1	3
APS 6	7	2	9	0	0	0	0	9
EL 1	17	0	17	1	0	3	4	21
EL 2	6	0	6	1	0	0	1	7
SES Band 1	4	0	4	0	0	0	0	4
Total	35	4	39	4	0	6	10	49

Table 55: All ongoing and non-ongoing Public Service Act employees at 30 June 2021 by classification

APS classification	Ongoing	Non-ongoing	Total
APS 4	3	2	5
APS 5	5	3	8
APS 6	11	0	11
EL 1	27	1	28
EL 2	14	0	14
SES Band 1	3	0	3
Total	63	6	69

Table 56: All ongoing and non-ongoing Public Service Act employees at 30 June 2020 by classification

APS classification	Ongoing	Non-ongoing	Total
APS 4	1	4	5
APS 5	2	1	3
APS 6	9	0	9
EL 1	17	4	21
EL 2	6	1	7
SES Band 1	4	0	4
Total	40	10	49



Part Seven

Aids to access

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Acronyms and abbreviations used in this report

Acronym	Meaning
ABF	Australian Border Force
ACCC	Australian Competition and Consumer Commission
ACIC	Australian Criminal Intelligence Commission
ACLEI	Australian Commission for Law Enforcement Integrity
ADJR	Administrative Decisions (Judicial Review), as in <i>Administrative Decisions (Judicial Review) Act 1977</i> (Cth)
AFP	Australian Federal Police
ANAO	Australian National Audit Office
APRA	Australian Prudential Regulation Authority
APS	Australian Public Service
APSC	Australian Public Service Commission
ASIC	Australian Securities and Investments Commission
ASL	Average staffing level
ATO	Australian Taxation Office
AUSTRAC	Australian Transaction Reports and Analysis Centre
CDPP	Commonwealth Director of Public Prosecutions
CIC	Commonwealth Integrity Commission
Cth	Commonwealth
DAWE	Department of Agriculture, Water and the Environment
EL	Executive Level
FOI	Freedom of information, as in <i>Freedom of Information Act 1982</i>
GST	Goods and services tax

Acronym	Meaning
IPS	Information Publication Scheme
LEIC Act	<i>Law Enforcement Integrity Commissioner Act 2006</i>
LEIC Regulations	Law Enforcement Integrity Commissioner Regulations 2017
PBS	Portfolio Budget Statements
PGPA	Public Governance, Performance and Accountability, as in <i>Public Governance, Performance and Accountability Act 2013</i>
PJC-ACLEI	Parliamentary Joint Committee on ACLEI
SD	Surveillance Devices, as in <i>Surveillance Devices Act 2004</i>
SES	Senior Executive Service
TIA	Telecommunications (Interception and Access), as in <i>Telecommunications (Interception and Access) Act 1979</i>
WHS	Work Health and Safety, as in <i>Work Health and Safety Act 2011</i>

Glossary

Term	Meaning
Corruption issue	<p>The term <i>corruption issue</i> is defined in s 7 of the LEIC Act. A corruption issue is an issue of whether a person who is (or has been) a staff member of a law enforcement agency, is engaging, has (or may have) engaged, or will (or may at any time in the future) engage in corrupt conduct.</p> <p>The term <i>engages in corrupt conduct</i> is defined in s 6. A staff member of a law enforcement agency engages in corrupt conduct if the person, while a staff member of the agency, engages in conduct that:</p> <ul style="list-style-type: none"> • involves or is for the purpose of abusing their office as a staff member • perverts or is for the purpose of perverting the course of justice, or • having regard to the staff member’s duties and powers, involves or is for the purpose of corruption of any other kind. <p>For staff members of the ACCC, APRA, ASIC and the ATO, the conduct in question must relate to the performance of a law enforcement function of that agency (see below).</p> <p>Not every corruption issue that is notified or referred to the Integrity Commissioner will have substance or meet the requirements of the LEIC Act in relation to ACLEI’s jurisdiction.</p>
Law enforcement agency (also referred to as LEIC Act agencies or partner agencies)	<p>The term <i>law enforcement agency</i> is defined in s 5 of the LEIC Act. In 2019–20, these agencies were:</p> <ul style="list-style-type: none"> • the Australian Criminal Intelligence Commission (ACIC) (including the former Australian Crime Commission, the former Executive Level (EL) Agency and former National Crime Authority (NCA)) • the Australian Federal Police (AFP) • the Australian Transaction Reports and Analysis Centre (AUSTRAC) • prescribed aspects of the Department of Agriculture, Water and the Environment (DAWE) • the Department of Home Affairs (Home Affairs), including the Australian Border Force (ABF). <p>The <i>law enforcement functions</i> of the following agencies are also included in the definition of <i>law enforcement agency</i>:</p> <ul style="list-style-type: none"> • Australian Competition and Consumer Commission (ACCC) • Australian Prudential Regulation Authority (APRA) • Australian Securities and Investments Commission (ASIC) • Australian Taxation Office (ATO).

Term	Meaning
Law enforcement function	<p><i>Law enforcement function</i> is defined in section 5 of the LEIC Act and relates to the investigation into:</p> <ul style="list-style-type: none"> • whether an offence has been committed against the law of the Commonwealth; or • whether there has been a contravention of a law of the Commonwealth to which a civil penalty proceeding may be brought.
Notification (of a corruption issue to the Integrity Commissioner)	<p>Under s 19 of the LEIC Act, the head of a law enforcement agency is required to <i>notify</i> the Integrity Commissioner of information or allegations relating to a corruption issue as soon as practicable after they become aware of the information or allegation. For the purposes of reporting, ACLEI takes a notification to have been made when it is received by ACLEI.</p>
Referral (of a corruption issue to the Integrity Commissioner)	<p>ACLEI can receive a <i>referral</i> of an allegation or information from any source, other than as a notification from the head of a law enforcement agency, under s 18 and s 23 of the LEIC Act. For the purposes of reporting, ACLEI takes a referral to have been made when it is received by ACLEI.</p>
Staff members of law enforcement agencies	<p><i>Staff members of law enforcement agencies</i> are people who are subject to the Integrity Commissioner's jurisdiction by virtue of their employment or position with a law enforcement agency. Section 10 of the LEIC Act defines the term in relation to each agency under ACLEI's jurisdiction.</p> <p>For the Department of Agriculture, Water and the Environment, the term is further defined in s 7 of the LEIC Regulations. This section of the LEIC Regulations also defines staff members of the following agencies whose conduct (as it relates to the performance of a law enforcement function) falls within ACLEI's jurisdiction:</p> <p>Australian Competition and Consumer Commission (ACCC)</p> <p>Australian Prudential Regulation Authority (APRA)</p> <p>Australian Securities and Investments Commission (ASIC), and</p> <p>Australian Taxation Office (ATO).</p> <p>In some cases, contractors or appointees who are authorised to exercise certain statutory powers may be considered 'staff members'.</p>

Compliance index

This guide records compliance with the requirements for annual reports as provided by subpara 17AJ(d) of PGPA Rule 2014 and the *Law Enforcement Integrity Commissioner Act 2006* and Law Enforcement Integrity Commissioner Regulations 2017.

PGPA Rule 2014—Requirements for Annual Reports

PGPA Rule Reference	Part of Report	Description	Requirement
17AD(g)	Letter of transmittal		
17AI	iv	A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	Mandatory
17AD(h)	Aids to access		
17AJ(a)	vi	Table of contents.	Mandatory
17AJ(b)	174	Alphabetical index.	Mandatory
17AJ(c)	163–166	Glossary of abbreviations and acronyms.	Mandatory
17AJ(d)	167	List of requirements.	Mandatory
17AJ(e)	ii	Details of contact officer.	Mandatory
17AJ(f)	ii	Entity's website address.	Mandatory
17AJ(g)	ii	Electronic address of report.	Mandatory
17AD(a)	Review by accountable authority		
17AD(a)	2	A review by the accountable authority of the entity.	Mandatory
17AD(b)	Overview of the entity		
17AE(1)(a)(i)	11	A description of the role and functions of the entity.	Mandatory
17AE(1)(a)(ii)	18–20	A description of the organisational structure of the entity.	Mandatory
17AE(1)(a)(iii)	33	A description of the outcomes and programmes administered by the entity.	Mandatory
17AE(1)(a)(iv)	10, 14	A description of the purposes of the entity as included in corporate plan.	Mandatory
17AE(1)(aa)(i)	19	Name of the accountable authority or each member of the accountable authority	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AE(1)(aa)(ii)	19	Position title of the accountable authority or each member of the accountable authority	Mandatory
17AE(1)(aa)(iii)	19	Period as the accountable authority or member of the accountable authority within the reporting period	Mandatory
17AE(1)(b)	N/A	An outline of the structure of the portfolio of the entity.	Portfolio departments – mandatory
17AE(2)	N/A	Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	If applicable, Mandatory
17AD(c) Report on the Performance of the entity			
Annual performance Statements			
17AD(c)(i); 16F	31–77	Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	Mandatory
17AD(c)(ii) Report on Financial Performance			
17AF(1)(a)	99–124	A discussion and analysis of the entity's financial performance.	Mandatory
17AF(1)(b)	146	A table summarising the total resources and total payments of the entity.	Mandatory
17AF(2)	N/A	If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	If applicable, Mandatory.
17AD(d) Management and Accountability			
Corporate Governance			
17AG(2)(a)	iv	Information on compliance with section 10 (fraud systems)	Mandatory
17AG(2)(b)(i)	iv	A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	Mandatory
17AG(2)(b)(ii)	iv	A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.	Mandatory
17AG(2)(b)(iii)	iv	A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.	Mandatory
17AG(2)(c)	84	An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AG(2)(d) – (e)	N/A	A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to noncompliance with Finance law and action taken to remedy noncompliance.	If applicable, Mandatory
Audit Committee			
17AG(2A)(a)	81	A direct electronic address of the charter determining the functions of the entity's audit committee.	Mandatory
17AG(2A)(b)	82	The name of each member of the entity's audit committee.	Mandatory
17AG(2A)(c)	82	The qualifications, knowledge, skills or experience of each member of the entity's audit committee.	Mandatory
17AG(2A)(d)	82	Information about the attendance of each member of the entity's audit committee at committee meetings.	Mandatory
17AG(2A)(e)	82	The remuneration of each member of the entity's audit committee.	Mandatory
External Scrutiny			
17AG(3)	85	Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	Mandatory
17AG(3)(a)	150	Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	If applicable, Mandatory
17AG(3)(b)	87	Information on any reports on operations of the entity by the Auditor-General (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	If applicable, Mandatory
17AG(3)(c)	N/A	Information on any capability reviews on the entity that were released during the period.	If applicable, Mandatory
Management of Human Resources			
17AG(4)(a)	93	An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	Mandatory
17AG(4)(aa)	89–90 Appendix 6 –151	Statistics on the entity's employees on an ongoing and non-ongoing basis, including the following: (a) statistics on full-time employees; (b) statistics on part-time employees; (c) statistics on gender (d) statistics on staff location	Mandatory
17AG(4)(b)	Appendix 6 – 151–157	Statistics on the entity's APS employees on an ongoing and non-ongoing basis; including the following: <ul style="list-style-type: none"> Statistics on staffing classification level; Statistics on full-time employees; Statistics on part-time employees; Statistics on gender; Statistics on staff location; Statistics on employees who identify as Indigenous. 	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AG(4)(c)	91	Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the <i>Public Service Act 1999</i> .	Mandatory
17AG(4)(c)(i)	91	Information on the number of SES and non-SES employees covered by agreements etc. identified in paragraph 17AG(4)(c).	Mandatory
17AG(4)(c)(ii)	90	The salary ranges available for APS employees by classification level.	Mandatory
17AG(4)(c)(iii)	91	A description of non-salary benefits provided to employees.	Mandatory
17AG(4)(d)(i)	N/A	Information on the number of employees at each classification level who received performance pay.	If applicable, Mandatory
17AG(4)(d)(ii)	N/A	Information on aggregate amounts of performance pay at each classification level.	If applicable, Mandatory
17AG(4)(d)(iii)	N/A	Information on the average amount of performance payment, and range of such payments, at each classification level.	If applicable, Mandatory
17AG(4)(d)(iv)	N/A	Information on aggregate amount of performance payments.	If applicable, Mandatory
Assets Management			
17AG(5)	N/A	An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities	If applicable, mandatory
Purchasing			
17AG(6)	95	An assessment of entity performance against the <i>Commonwealth Procurement Rules</i> .	Mandatory
Reportable consultancy contracts			
17AG(7)(a)	96	A summary statement detailing the number of new reportable consultancy contracts entered into during the period; the total actual expenditure on all such contracts (inclusive of GST); the number of ongoing reportable consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory
17AG(7)(b)	96	A statement that " <i>During [reporting period], [specified number] new reportable consultancy contracts were entered into involving total actual expenditure of \$[specified million]. In addition, [specified number] ongoing reportable consultancy contracts were active during the period, involving total actual expenditure of \$[specified million].</i> ".	Mandatory
17AG(7)(c)	96	A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	Mandatory
17AG(7)(d)	96	A statement that " <i>Annual reports contain information about actual expenditure on reportable consultancy contracts. Information on the value of reportable consultancy contracts is available on the AusTender website.</i> ".	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
Reportable non-consultancy contracts			
17AG(7A)(a)	95	A summary statement detailing the number of new reportable non-consultancy contracts entered into during the period; the total actual expenditure on such contracts (inclusive of GST); the number of ongoing reportable non-consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting period on those ongoing contracts (inclusive of GST).	Mandatory
17AG(7A)(b)	95	A statement that <i>"Annual reports contain information about actual expenditure on reportable non-consultancy contracts. Information on the value of reportable non-consultancy contracts is available on the AusTender website."</i>	Mandatory
17AD(daa)	Additional information about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts		
17AGA	95	Additional information, in accordance with section 17AGA, about organisations receiving amounts under reportable consultancy contracts or reportable non-consultancy contracts.	Mandatory
Australian National Audit Office Access Clauses			
17AG(8)	N/A	If an entity entered into a contract with a value of more than \$100 000 (inclusive of GST) and the contract did not provide the Auditor-General with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	If applicable, Mandatory
Exempt contracts			
17AG(9)	95	If an entity entered into a contract or there is a standing offer with a value greater than \$10 000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	If applicable, Mandatory
Small business			
17AG(10)(a)	95	A statement that <i>"[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website."</i>	Mandatory
17AG(10)(b)	95	An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17AG(10)(c)	N/A	If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that “[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury’s website.”	If applicable, Mandatory
Financial Statements			
17AD(e)	99	Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	Mandatory
Executive Remuneration			
17AD(da)	92	Information about executive remuneration in accordance with Subdivision C of Division 3A of Part 2–3 of the Rule.	Mandatory
17AD(f)	Other Mandatory Information		
17AH(1)(a)(i)	N/A	If the entity conducted advertising campaigns, a statement that “During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity’s website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance’s website.”	If applicable, Mandatory
17AH(1)(a)(ii)	97	If the entity did not conduct advertising campaigns, a statement to that effect.	If applicable, Mandatory
17AH(1)(b)	N/A	A statement that “Information on grants awarded by [name of entity] during [reporting period] is available at [address of entity’s website].”	If applicable, Mandatory
17AH(1)(c)	94	Outline of mechanisms of disability reporting, including reference to website for further information.	Mandatory
17AH(1)(d)	97	Website reference to where the entity’s Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	Mandatory
17AH(1)(e)	N/A	Correction of material errors in previous annual report	If applicable, mandatory
17AH(2)	Appendix 3	Information required by other legislation	Mandatory

LEIC Act and LEIC Regulations requirements

LEIC Act Reference	Description	Page
s 201(a)	Statistics pursuant to LEIC Regulations s 11 to 15	131
s 201(a)	ACLEI corruption issues investigated (LEIC Regulation s 16)	145
s 201(a)	Information certificates under s 149 of the LEIC Act (LEIC Regulations s 17)	none
s 201(b)	Investigations raising significant issues or developments in law enforcement.	none
s 201(c)	Patterns and trends in, and the nature and scope of, corruption in law enforcement agencies and other Commonwealth government agencies that have law enforcement functions, that have come to the attention of the Integrity Commissioner in the performance of his or her functions	28
s 201(d)(i)	Recommendations for changes to laws of the Commonwealth	none
s 201(d)(ii)	Recommendations for changes to administrative practices of Commonwealth Government agencies	none
s 201(e)	Prosecutions	26
s 201(f)	Confiscation proceedings	none
s 201(g)(i)	ADJR Act applications determined or otherwise disposed of	145
s 201(g)(ii)	Other court proceedings involving the Integrity Commissioner determined or otherwise disposed of	none
s 204	Special reports to the Minister, made under s 204 of the LEIC Act	none

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